

# High street businesses to benefit from business rates drop

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[hops](#), pubs and other high street firms are set to see tax cuts of more than 50% from Saturday amid new property valuations, according to data.

Last year, the [Government](#) announced the first revaluation process for business rates – the equivalent of council tax for UK commercial properties – in six years.

Thousands of businesses will pay less due to drops in the value of commercial real estate, as well as increased sector support, which come into effect on April 1.

According to the commercial real estate advisory firm Altus Group, the average retail shop will see its rates bill fall by £4,494 to £3,678 for the new year, representing a 55% tax cut.

On average, pubs will see a £5,534 decline, restaurants £5,553 and accommodation businesses £4,021.

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The new property valuations will be based on figures calculated from April 2021, with the taxes having most recently been based on values from 2015.

The retail sector has seen rateable values fall by 10%, pubs by 17%, restaurants by 5% and hotels, serviced apartments, and guest and boarding houses by 28% overall, according to Altus's annual review.

As part of a £13.6 billion support package announced last autumn, the Government has also frozen the tax rates from April 1, protecting firms from rising inflation.

It also increased the retail, hospitality and leisure discount from 50% to 75% for 2023/24 up to a cash cap of £110,000 per business.

Alex Probyn, global president of property tax at Altus Group, said: "These tax changes will bring much-needed respite from the current high cost of doing business for high street firms."

However, he also warned that "the freeze in tax rates and the bigger retail discount are just a one-year commitment".

Revaluations are also coming into effect in [Wales](#), [Scotland](#) and [Northern Ireland](#), where business rates are devolved.