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HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

Sir Stuart Etherington  
Chief Executive  
NCVO  
8 Regents Wharf  
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London  
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Dear Stuart

Thank you for your letter of 10 March, in which you asked that the Government protect the mandatory 80% discount that charities receive on business rates in England.

As you will have seen, the Government concluded the business rates review at the Budget and confirmed that it will maintain the 80% mandatory relief for business rates. This relief is funded by the exchequer and does not impact the business rates paid by other ratepayers. Local authorities continue to hold the powers to provide additional support for charities, up to 100%, at their discretion.

I am aware that this is an issue about which charities feel strongly, so I trust that this news has been received positively. I would like to take this opportunity to thank you for contributing evidence toward the Government's review of business rates.

Charities are a vital part of our society and the Government continues to support them and their donors, including through tax reliefs to the value of over £4.5 billion last year. The Government's decision to continue business rates relief further demonstrates its commitment to support the charity sector.

Thank you again for your letter.

Yours ever  
David

DAVID GAUKE