

NO 3RD RUNWAY COALITION

PRESS RELEASE

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For immediate use

HEATHROW TRYING TO GET OUT OF PAYING BUSINESS RATES BILL

Heathrow Airport is trying to get out of paying its £113m business rates bill, according to an annual review of business ratepayers by Altus Group, a real estate adviser (1/2).

Heathrow owes £113.2m of business rates for the current tax year, the highest of any site in England and Wales.

Heathrow's business rates are split between Hillingdon Council - the local authority, which receives £16.3m, with the remainder of the bill going to the Greater London Authority and central Government. The rates are calculated in accordance with an estimation of Heathrow's rental value, as at 1 April 2015 (1).

The Airport argue that their rates bill should be cut because it was "based on a world in which people flew", but campaigners believe that they should be paying the full £113million bill on the basis that the money goes towards the community and a failure to pay could jeopardise many local projects that are funded through the rates.

Paul McGuinness, Chair of the No 3rd Runway Coalition, said:

"Heathrow's claim that their rates bill is 'based on a world in which people flew' is inaccurate and self-pitying, and it should be given short shrift.

"Rates are calculated on a property's annual market rental value and size. And not on the current success, or otherwise, of the business operating it. Moreover, a responsible company is expected to set aside (preferably in a separate account) all its anticipated tax liabilities.

"And, lest we forget, the rates bill that they owe to the community - from which they now seek exemption - is broadly the same size as the £100m dividends payment that they made, so willingly, to their foreign shareholders just a few weeks ago".

ENDS.

Notes:

1. UK airports face multimillion-pound business rates bills, FT, 1 Jun 20 <https://www.ft.com/content/010d4115-47de-4e35-92c1-6c67cee9af37>
2. Atlas Group, Annual Business Rates Review 2020 <https://property.altusgroup.com/business-rates/annual-business-rates-review-2020/>

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