



Llywodraeth Cymru
Welsh Government

WRITTEN STATEMENT BY THE WELSH GOVERNMENT

TITLE Non-domestic rates support for 2026-27
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BY Mark Drakeford MS, Cabinet Secretary for Finance and Welsh Language

Today, I am announcing that the Welsh Government will provide an additional package of non-domestic rates support worth £116m over the next two financial years.

The next non-domestic rating list will take effect on 1 April 2026, following revaluation. This will be the second revaluation delivered this Senedd term and the first on the three-yearly cycle introduced as part of our programme of non-domestic rates reforms.

As a consequence, the standard multiplier will be reduced substantially in 2026-27, to 0.502. This will be the first reduction of the multiplier in Wales since 2010.

Earlier this year, we [confirmed](#) plans to introduce a lower retail multiplier to re-balance the non-domestic rates system in favour of small to medium sized retail shops. The new retail multiplier will be set at 0.350 for 2026-27. This will reduce the non-domestic rates bills of eligible ratepayers by around £20m.

A higher multiplier will levy a marginal supplement on the largest (by value) properties in the tax-base, to offset the revenue foregone through the retail multiplier and support the overall policy objective. The new higher multiplier will be set at 0.515. This is little more than one penny in the pound higher than the standard multiplier for 2026-27 and substantially lower than the current multiplier for all properties.

Regulations will be brought forward to set the values of the new differential multipliers early in New Year. Subject to the approval of the Senedd, this important structural change to the non-domestic rates system will take effect on 1 April 2026.

The Welsh Government will also provide transitional relief to all ratepayers whose liabilities will increase by more than £300 following the revaluation. Any such increases will be phased in over two years. Eligible ratepayers will pay 33% of their additional liability in the first year (2026-27) and 66% in the second year (2027-28), before reaching their full liability in the third year (2028-29). £116m will be provided over two years fully to fund this relief, supporting all areas of the tax-base in a consistent and straightforward manner.

To provide for transitional relief, I will lay the draft Non-Domestic Rating (Chargeable Amounts) (Wales) Regulations 2025 before the Senedd as soon as possible. Subject to the approval of the Senedd, the Regulations will come into force on 31 December 2025 and apply from 1 April 2026.

This generous package of support is in addition to our fully funded permanent reliefs which are currently worth £250m to businesses and other ratepayers every year. The Welsh Government remains committed to supporting businesses to recover from recent economic challenges and to thrive moving forward.