

A nice little welfare handout for landowners was slipped almost unnoticed into the Chancellor's Autumn Statement last week. New developments will be exempt from empty property rates from next October: all newly built commercial property completed between 1 October 2013 and 30 September 2016 will be exempt from empty property rates for the first 18 months. This is described as "a victory for the property industry, which has campaigned for a change to empty rates for years."

Osborne praised the work of the working group of MPs, led by York Outer MP Julian Sturdy, in reviewing empty property rates. He said that empty rate relief for new development would "help the construction industry".

This is doubly strange. If there really is a surplus of property on the market already, what is the point of encouraging further construction? And indeed, surplus there would appear to be. Denise Trollope, national head of business rates at property management company GVA, said: "The chancellor's statement in terms of his proposed empty rates relief is great news for developers and may help to stimulate speculative new buildings across England and Wales.

"However, it is no help to those suffering crippling rates in the existing empty stock where they have little or no realistic prospect of finding occupiers for their properties. We would urge the government to give this more thought."

WELFARE CLAIMANTS AND HARD WORKING FAMILIES

There speaks the authentic voice of the welfare claimant. These idle landowners could always reduce their rents to market-clearing levels. In refusing to do so they are literally locking out hard-working families from the opportunity to support themselves.

The effects are predictable. A start on projects currently projected will be put off until next October and when finished they will stand empty until the last possible moment. When the time approaches when the rates must be paid, the Chancellor will come under pressure to defer the charge. In addition to the undesirability of this kind of on-the-fly legislation, this "concession" and the delay in revaluation announced previously are also damaging the effectiveness of the UBR as a robust source of public revenue. Osborne is busy cutting loopholes in one of the few taxes that is made from reasonably sound fabric.

A Chancellor who genuinely believed in free markets would send these benefit scroungers away with a flea in their ear. But it is worse than that. What were the Labour and LibDem MPs doing when this was announced? And what is the army of tax avoidance protesters up to? The UBR is the one tax that is not avoided and not avoidable. Yet the earnest campaigners against tax avoidance such as Tax Justice and UK Uncut, have said nothing. Neither has there been anything on the subject in that organ of social concern, The Guardian. Are they just asleep or do they have a vested interest in this?