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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

12 December 1988

Dear Roger,

**UNIFORM BUSINESS RATE REVALUATION:
TRANSITIONAL ARRANGEMENTS**

The Prime Minister was grateful for your Secretary of State's minute of 29 November. She has also seen the minutes of 7 December from the Chancellor of the Exchequer and the Secretary of State for Wales.

The Prime Minister agrees with the Chancellor that it would be appropriate to amend the package set out in your Secretary of State's minute to provide a limit on the gains for small properties some five percentage points above the limit for large properties. She also thinks it would be sensible to handle the issue of extending transitional arrangements beyond the fifth year in the way the Chancellor suggests. The Prime Minister would be content to delay publishing a summary of the Inland Revenue's survey if this can be justified, but she has commented that this will have to be published in any event in the summer. The Prime Minister hopes that the other matters to which the Chancellor refers in the third point in his minute can be sorted out bilaterally.

I am sending a copy of this letter to the Private Secretaries to members of E(LF), Alison Smith (Lord President's Office), Murdo Maclean (Chief Whip's Office) and Trevor Woolley (Cabinet Office).

*Yours,
Paul*

(PAUL GRAY)

Roger Bright, Esq.,
Department of the Environment.

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