



# Introduction to Council Tax Seminar

## Discounts, Disregards and Exemptions

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# Discounts - SPD

- Council Tax charged on basis of half property tax, half personal tax.
- If there is only one adult resident at a property they can apply for a 25% Single Person discount.

# Disregards

- The following people are disregarded for the purposes of Council Tax;
- Persons in detention
- Severely Mentally Impaired
- Persons in respect of whom Child Benefit is payable
- Apprentices
- Students
- Student Nurses
- Youth Training Trainees
- Hospital Patients

# Disregards, cont'd

- Patients in Care Homes
- Care Workers
- Residents of Certain Hostels and Night Shelters
- Members of International and Defence Organisations
- Religious Communities
- School Leavers
- Visiting Forces
- Spouses of Certain Students
- Persons subject to diplomatic privileges and immunities

# Disability Reduction

- This reduction has two elements;

1. Property relief – When the Valuation Band is allocated to a property no account will be taken of any value of fixtures designed to make the property suitable for use by a disabled person (if these fixtures add value).

## 2. Personal Relief – Where a property is the sole/main residence of a qualifying disabled individual, criteria;

- A room, not a bathroom, kitchen or toilet which is predominantly used by, and is required for meeting the needs of, any qualifying individual in the property; or
- A bathroom or kitchen which is not the only bathroom or kitchen in the dwelling, and which is predominantly used by, and is required for meeting the needs of any qualifying resident; or
- Sufficient floor space for the use of a wheelchair required for meeting the needs of any qualifying individual resident in the dwelling

- If awarded this reduction results in the charging of Council Tax at one valuation band lower than that which is shown for the dwelling in the valuation list
- In 2001 provision was introduced to allow this reduction for properties in band A, the relief for these properties is calculated as one 9<sup>th</sup> of the band D council tax for the Authority

# Exemptions – Unoccupied Properties

- Class B – Owned by a body established for charitable purposes only
- Class D – Left empty by individual detained in prison
- Class E – Left empty by individual who is permanently in care home/hospital
- Class F – Empty owner deceased
- Class G – Occupation prohibited by law
- Class H – Held for occupation by a minister of religion
- Class I – Individual left property to receive care
- Class J – Individual left property to provide care



# Exemptions – Unoccupied Properties

- Class K – Left empty by a student
- Class L – Mortgagee in possession
- Class O – held for the purposes of armed forces accommodation
- Class Q – Liable person is qualifying person in his capacity as a trustee in bankruptcy
- Class R - Unoccupied caravan pitch/mooring
- Class T – Unoccupied annexe to a main dwelling

# Exemptions – Occupied Properties

- Class M – Halls of Residence
- Class N – All student occupiers
- Class P – Members (and dependents) of visiting Forces
- Class S – All occupants aged under 18
- Class U – All occupants Severely Mentally Impaired
- Class V – Occupiers has diplomatic privileges and immunity
- Class W – occupied annexe (specific criteria apply)

# Empty Properties

- Pre 2013;
  - Unoccupied unfurnished – 100% discount
  - Unoccupied furnished – 50% discount
- From 01/04/2013 no prescribed discount, Authorities able to decide on their own, can be different in neighbouring boroughs and many have changed since that date
- In April 2013 Authorities also given permission to charge premium on properties empty over 2 years, can charge up to 150%

# Council Tax Support

- April 2013 also saw the removal of the Council Tax Benefit Scheme
- This has been replaced by a discount
- Authorities were allowed to write their own schemes and there was no requirement to award 100% reduction
- Authorities have made very different choices regarding this and these schemes are still changing and developing

# Discretionary Relief

- The removal of a prescribed benefit scheme and empty exemptions has left some residents in hardship
- Authorities have allocated funds to allow people to apply for discretionary assistance, either for empty properties or those where there is a shortfall in Council Tax Support
- Decisions regarding this relief can be appealed at the Valuation Tribunal