

Fact Sheet WB/027: Council Tax Reduction & Concessions

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Overview

If you have a low income, and have minimal savings, you may be able to claim Council Tax Reduction, also known as Council Tax Support. If you are entitled to Council Tax Reduction your award will be taken off your Council Tax bill, reducing the amount you need to pay.

To check your full benefit entitlement visit our [Benefit Calculators](#) page for free online calculators.

Ineligibility

Usually you will not be able to make a claim if:

- You are of pension age and you and your partner have more than £16,000 in savings and investments (unless you receive the guarantee element of Pension Credit Savings Credit)
- You are of working age and you and your partner have more than £6,000 in savings (unless you are in a protected group)

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Protected groups

If you are of working age and have more than £6,000 in savings, you may still be able to claim if you meet one of the following criteria:

- You have at least one child under the age of five living in your household
- You are in receipt of the Disability Premium or Disabled Child Premium
- You are in receipt of the Support Component of Employment Support Allowance
- You are in receipt of or entitled to Carer's allowance

How much you receive depends on:

- Your personal circumstances
- How much money you have coming in
- What savings you have
- Whether there are any non-dependants in your home

If you are pension age, your claim can be backdated for up to three months. If you are under pension age, you must state on your claim form or write to your local authority if you want your claim backdated. You must give a valid reason why you were unable to apply for your benefit earlier. The maximum period a benefit claim can be backdated is one month from the date we receive the request.

Overpayments

This is an amount of benefit you've been paid, but under statutory regulations are no longer entitled to. Overpayments usually happen following a change in circumstances (such as, if your income has increased) and where the local authority has not been notified in time to revise your benefit entitlement. If you have a change in your circumstances, it is important to let your local authority know straight away. If you have an overpayment you are normally sent a letter advising you of the following:

- The reason for the overpayment
- The amount you've been overpaid
- The dates of which the overpayment relates to
- Whether or not you have to pay back the overpayment
- How you can appeal the decision

The overpaid benefit is likely to be added to your Council Tax account and receive a revised Council Tax bill telling you what your new instalments are. Failure to keep up with your Council Tax instalments can result in recovery action on your account. We may be able to look at the decision again. You have one calendar month from the date we told you about the overpayment to appeal.

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Please make your appeal in writing.

Discounts

Single occupiers

Properties in which only one adult lives will be entitled to a discount of 25%. When deciding how many adults live in a property, for the purpose of this discount, certain people are disregarded as listed below. If all the people living in a property are disregarded a 50% discount will apply. The discount can be applied for online.

You may be required to provide evidence to show that you have been living alone for the purposes of getting the discount backdated.

People that will be disregarded when deciding how many adults live in a property include:

- Children under 18
- Persons over 18 for whom Child Benefit is still being paid
- Certain school leavers under the age of 20 and who have finished a full-time course between 1 May and 31 October
- People with severe mental impairment who are in receipt of certain disability and attendance allowances
- Qualifying students
- Certain YTS trainees under the age of 25
- Student nurses
- Certain apprentices
- Long-term/permanent hospital patients
- Certain people resident in residential care homes, nursing homes or mental nursing home/hostel
- Most persons in prison
- Certain care workers
- Carers i.e. caring for someone they live with other than their spouse, partner or a child under 18

Annexes

A discount of 50% has been introduced for properties that:

- Are annexes and similar properties that are either used together with the main property as someone's home or is the home of someone who is related to the Council Tax Payer for the main property and
- The annex is subject to the Council Tax because by law any building or part of a building

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providing separate living accommodation must be separate subject to the tax and where it not for this requirement it would have been included with the main property for Council Tax purposes

Empty properties

No discount is given to properties that are empty (furnished or unfurnished) and the full amount of tax is payable unless an exemption applies, e.g. a property that is inhabitable or in a structural state of disrepair.

Where a taxpayer leaves a property empty and furnished to live in another property for which they are also liable to Council Tax and which is provided by an employer and they are required to occupy it because of the nature of the job, they may be entitled to a 50% discount on their empty property.

From 1 April 2013 any property that has been empty and unfurnished for 2 years or more will attract an additional premium of 50% to pay.

From the 1st of April 2019 this premium will increase to 100%.

Council Tax before 1 April 2013

- Furnished property not used as anyone's main home: 10% discount leaving 90% to pay
- Empty and unfurnished for less than 2 years: Exempt for 6 months and then full tax to pay
- Empty needing or undergoing major repairs for less than 2 years: Exempt for 12 months and then full tax to pay
- Empty and unfurnished for 2 years or more: Full tax to pay

Council Tax April 2013 to March 2019

- Furnished property not used as anyone's main home: Full Council Tax to pay
- Empty and unfurnished for less than 2 years: Full Council Tax to pay throughout
- Empty needing or undergoing major repairs for less than 2 years: Full Council Tax to pay throughout
- Empty and unfurnished for 2 years or more: 150% of the Council Tax to pay

Council Tax from 1st April 2019

- Furnished property not used as anyone's main home: Full Council Tax to pay
- Empty and unfurnished for less than 2 years: Full Council Tax to pay throughout
- Empty needing or undergoing major repairs for less than 2 years: Full Council Tax to pay throughout

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- Empty and unfurnished for 2 years or more: 200% of the Council Tax to pay

Section 6 of the Local Government Finance Act 1992

(www.legislation.gov.uk/ukpga/1992/14/section/6) sets out who is liable for the Council Tax and where there are no residents, the owner is liable. However it defines owner in this context as follows:

Unoccupied rented properties, who is liable?

"**Owner**", in relation to any dwelling, means the person as regards whom the following conditions are fulfilled:

1. He has a material interest in the whole or any part of the dwelling; and
2. At least part of the dwelling or, as the case may be, of the part concerned is not subject to a material interest inferior to his interest;

'**Material interest**' is defined as "a freehold interest or a leasehold interest which was granted for a term of six months or more".

Exemptions

Some properties are exempt from Council Tax. In particular the following empty properties:

- Property owned by a charity (exempt for up to 6 months)
- Property left empty by someone who has gone into prison, hospital, a nursing home or residential home
- Property left empty because either probate or letters of administration are awaited, or less than 6 months have elapsed since they were granted. This exemption does not apply if the property has been left to a beneficiary in the deceased's will. As they have become the new owner and will be liable for the Council Tax
- Property prohibited by law from being occupied
- Property which is empty awaiting occupation by a minister of religion
- Property in the possession of a mortgagee (the lender of a mortgage, typically a bank, building society) under the mortgage
- The property is unoccupied because the resident is providing/receiving care elsewhere (special rules apply)
- Property which is owned by the Secretary of State for Defence for the purposes of armed forces accommodation
- Property which is liable for a Council Tax charge but where it would be payable by a trustee in bankruptcy
- A property which is an unoccupied annex which cannot be let separately, because it is part of

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the main dwelling and where its letting is restricted under planning regulations

Occupied properties that are fully exempt are:

- Where all the residents are qualifying students
- Property which is occupied by a student and where the spouse of a student is not a British Citizen and who is prevented by the terms of their entry visa from taking paid employment or from claiming benefits
- When they are annexes, to other dwellings, solely occupied by dependant relatives of the Council Taxpayer resident in the other dwelling
- When you will need to complete an application form if they are occupied solely by a severely mentally impaired person/s

Disabilities

You may qualify for a reduction in your Council Tax bill if you or any member of your household has a disability and your home has at least one of the following features:

- A second bathroom or kitchen required for meeting the needs of the disabled person
- A room set aside to provide specific facilities for the disabled person
- Sufficient room for a disabled person to use their wheelchair indoors

If you qualify for a reduction, the amount of Council Tax payable will be based on the band under the one in which your property has been placed. Even if your home is in Band A, the lowest band, you are still likely to qualify for a reduction.

How to Claim

You will need to apply to your local council for Council Tax Reduction (sometimes called Council Tax Support). Use the government postcode checker to find your local authority (www.gov.uk/apply-council-tax-reduction).