

Help with Council Tax



This factsheet will help you understand how Council Tax is worked out, looking at what help is available and what to do if you disagree with a Council Tax decision.

This information covers England, Wales and Scotland. In Northern Ireland, there is a different system of domestic rates.

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Understanding Council Tax

Council Tax is a property-based tax which is paid to the local authority to help pay for services such as rubbish collections and road repairs. How much you pay depends upon the people living in your home and its value. It is collected by local councils (often referred to as local authorities).

How is my Council Tax bill worked out?

The person who lives at the property is usually liable to pay the Council Tax. If the property is empty, the person who owns or rents it will usually be liable. If more than one person own a property or share a joint tenancy agreement, they are jointly responsible for the bill, even though only one bill will be sent to the home.

All homes are given a Council Tax valuation band. The type will depend on its market value. If you're not sure what your band is, you can visit www.gov.uk/council-tax-bands or you can contact your local authority to find out.

Council Tax is worked out on the basis that two adults live in the property which is their only or main residence. The bill doesn't increase if there are more than two adults but if there are fewer people who live in the property, the bill can be reduced.

Discounts and exemptions

Exemptions relate to the property. If an exemption applies, there is no liability for Council Tax.

Discounts are applied to people living in the property. If a person can be disregarded or ignored, they are not counted when it comes to working out how many people live in a property.

If everyone is discounted, a 50% discount will be applied to the Council Tax bill. If only one person counts as living in the property, a 25% discount would apply. Certain carers and other groups may be disregarded.

Certain carers

If you meet **all** the following criteria as a carer, you will not be counted:

- You provide care for at least 35 hours a week.
- You live in the same property as the person you care for.
- You are not the spouse or partner of the person you care for, or their parent if you care for a child under 18.
- The person you care for must receive one of these: either the middle or higher rate of the care component of Disability Living Allowance/ Child Disability Payment (*only the higher rate in Scotland*), the daily living component of Personal Independence Payment at any rate / Adult Disability Payment (*only the enhanced rate in Scotland*), Attendance Allowance / Pension Age Disability Payment (*only the higher rate in Scotland*), the higher rate of the care component of Scottish Adult DLA, Armed Forces Independence Payment, Constant Attendance Allowance (higher rate) or Disablement Pension (highest amount of increase).

▶▶ **Note:** You do not have to claim Carer's Allowance to qualify and your income and savings will not affect your eligibility. If there is more than one carer in the property, they can also be disregarded for Council Tax purposes as long as they all meet the above conditions.

'Severely mentally impaired' people

This could include people with dementia, Parkinson's or with severe learning difficulties, for example. Those who meet **both** of the following criteria will not be counted for Council Tax purposes:

- ▶ They have a certificate from a registered medical practitioner confirming the condition.
- ▶ They are entitled to one of a number of benefits. These are some of the main ones:
 - the middle or the higher rate of the care component of Disability Living Allowance (or Child Disability Payment in Scotland)
 - the daily living component of Personal Independence Payment at any rate (or Adult Disability Payment in Scotland)
 - Attendance Allowance at any rate
 - Constant Attendance Allowance or
 - Pension Age Disability Payment (in Scotland).

Other people not counted for the purposes of Council Tax include:

- ▶ children up to 18 (for 18 year olds, someone must be entitled to Child Benefit for them)
- ▶ people aged 18 or 19 and still in education on 30 April
- ▶ full-time students (note – if the property is occupied only by full-time students, then the property is exempt from Council Tax)
- ▶ under 20s in higher education studying a certain number of hours or in non-advanced education (for more than 12 hours per week)
- ▶ a person aged 19 or under on a course that is before degree level such as A-levels or GNVQ level 3

- long-term hospital patients or care home residents
- people who are living in a hostel that provides care or treatment because of their age, physical or mental disability, past or present alcohol or drug dependence or past or present mental illness.
- live-in care workers (who provide care on behalf of certain organisations on terms including a minimum number of hours per week and a maximum amount of weekly pay)
- In *Scotland*, care leavers (up to their 26th birthday) can get an exemption from Council Tax if they are the only adult (aged over 18) in the property or all other residents are care leavers. Even if other adults are resident, care leavers are still disregarded from the calculation of the number of adult residents of a household for Council Tax discount purposes.
- Others who are exempt include certain student and youth trainee nurses, skills seekers or some apprentices.
- In some areas of *Wales*, you will be exempt from paying Council Tax if you are a care leaver aged 18+ but under 25. The decision on whether to exempt care leavers is up to each individual council so you will need to contact your local council to find out what happens in your area.
- See the Citizens Advice website for further examples: [Check if you can pay less council tax - Citizens Advice](#).

Am I eligible for a 25% or 50% discount?

For those living with others

After taking into account 'disregarded' people, if there is only one resident in the property who would be eligible for paying Council Tax, a 25% discount would be applied to the bill.

If there are no residents who would count for Council Tax, a 50% discount would be applied to the bill. However, you can get a total exemption if no

one counts as resident in your property because they are all severely mentally impaired or students.

To apply for a discount, you would need to contact the Council Tax department of your local council. You can also ask for a discount to be backdated to the date when you met the criteria for it. Notify your council straight away if a discount has been applied incorrectly or no longer applies to you as you could otherwise receive a penalty.

▶▶ **Note Example of a 25% discount**

James spends 35 hours a week looking after his 23-year-old son Adam who receives the middle rate care component of Personal Independence Payment and is 'severely mentally impaired'. James' mother Jenny also lives in the house but does not look after Adam.

James can be disregarded as a carer and Adam can be disregarded as 'severely mentally impaired'. Jenny cannot be disregarded. There would be one person considered to be living in the property (Jenny), and so a 25% discount would be applied to the Council Tax bill.

▶▶ **Note Example of a 50% discount**

Fred and Julie live with their 15-year-old son, Bob, and Julie's mother Alice. Alice suffers from dementia and receives the higher rate of Attendance Allowance – she is 'severely mentally impaired'. Julie cares for Alice for at least 35 hours a week. Fred also cares for Alice for at least 35 hours a week, at weekends and before and after his paid work.

Fred and Julie can both be disregarded as carers. Alice can be disregarded as she is 'severely mentally impaired'. Bob can be disregarded as he is under 18 years old. No one would be counted in the property as living there and so a 50% discount would be applied to the bill.

When is a property completely exempt?

If a property is exempt, no Council Tax is payable. Only properties can be exempt not people. There are a number of categories of exemptions. Here are some of the main ones:

Homes may be exempt from Council Tax if:

- You have left the property unoccupied and it is no longer your sole or main residence because you are providing personal care to someone, due to their old age, disability, illness, alcohol or drug dependence, or mental disorder (this can apply to an owner, tenant or licensee).
- The only person or everyone living in the property is 'severely mentally impaired' (as defined for Council Tax purposes) and no one else could be liable to pay Council Tax.
- The property was the person's sole or main residence and has been left unoccupied by someone who is now living elsewhere where they are receiving personal care.
- There's an additional self-contained annexe within a single property and the resident living there is viewed as a 'dependent relative' of another resident in the property. They may be a dependent relative if they are aged 65 or over, 'severely mentally impaired' or substantially or permanently disabled. Only the annexe is exempt.
- The property is unoccupied and was previously the sole or main residence of the owner, tenant or licensee whose sole or main residence is now a hospital, care home or hostel (where they are receiving care and treatment).

This list is not exhaustive. The Citizens Advice website has further useful details about other circumstances that would count: [Check how council tax works and if you have to pay - Citizens Advice](#)

To apply for an exemption, you would need to contact the Council Tax department of your local council. You can ask for an exemption to be backdated to the date when you met the criteria.

Help if you're on a low income

What is Council Tax Reduction (CTR)?

If you're on a low income in England, it may be possible to get support towards paying your Council Tax through various local schemes run by councils. These are sometimes called Council Tax Support schemes, but in this factsheet we have used the term **Council Tax Reduction (CTR)** throughout. In both Scotland and Wales there is a national CTR scheme, which is looked after by local councils.

This means that each local council (England) or nation government (Scotland and Wales) designs its own scheme and has the responsibility to decide who they can support with paying their Council Tax bill. To check whether you might be eligible, go to your local council's website.

How do I go about applying for it?

If you pay Council Tax, you can apply for CTR if you're on a low income by contacting your local council's benefits department:

<https://www.gov.uk/find-local-council>

Your local council will calculate how much of a reduction you're entitled to based on your income and savings.

►► Note for Scotland

If you get Council Tax Reduction, you could get a discount of up to 35% on the public water and sewerage charges on your Council Tax bill. The amount will depend on how much Council Tax Reduction you receive and should be applied to your bill automatically.

In Scotland, Council Tax on properties in bands E, F, G and H is calculated differently. The Council Tax for these properties is a higher percentage of the previous band D. However, low-income households can apply for an exemption from the increases. To find out if you are eligible, contact your local council.

How is CTR backdated?

Backdating varies across the three nations. In England, it depends on your local council scheme. In Scotland, it is three months (if you're pension age) – and if you are working age and can show continuous good cause why you have not applied earlier (eg, you were in hospital), your claim can be backdated for up to six months. In Wales, it is generally three months but some allow longer so check the details of your local scheme.

What about the benefit cap?

CTR is not counted as part of the benefit cap. The benefit cap means that certain working-age households have an upper limit on the total amount they can be paid from benefits. For more information, go to carersuk.org/benefitcap.

What is Second Adult Rebate?

If you live in England or Scotland with someone who is on a low income who isn't your partner or jointly liable for Council Tax, home ownership or someone who pays rent to you, you may be eligible for a discount on your bill called Second Adult Rebate. You can't get this at the same time as CTR (or band E-H Council Tax reduction in Scotland), but your local council should automatically consider whether you'd be better off claiming Second Adult Rebate. It could be worth looking into if your income is too high to receive Council Tax Reduction. In Wales it is not termed this, but you may still be able to get a discount of up to 25% if you live with someone who is not your partner, who is on a low income and who does not pay you rent – check with your local council for more details. (These schemes don't apply to second homes or holiday homes. Contact the council of where the property is located to find out what their rules are as they can vary.)

Support if you're severely disabled

What is the Disability Reduction Scheme?

If anyone living in the property is registered as 'substantially and permanently disabled', you could get help with reducing your Council Tax under the Disability Reduction Scheme. The property must meet one of the following conditions:

- There is an additional bathroom or kitchen in the property that is needed by the disabled person.

- There is a room (other than a bathroom, kitchen or toilet) needed by and mainly used by the disabled person (such as a room for medical equipment).
- There is enough space in the property for the disabled person to use a wheelchair indoors.

There is no general test of who is considered ‘substantially and permanently disabled’. If a person is registered as disabled with their local council, this should help to satisfy this condition, as should receipt of disability benefits. It could also help to provide supporting evidence from your GP/consultant.

A disability reduction would mean that your Council Tax bill would be reduced to the amount payable for a home in the valuation band below yours. If you are in the lowest band already (band A) you would get a reduction of one sixth of the bill.

▶▶ **Example:** Mina’s home was placed in Council Tax band C. She qualifies for a disability reduction because there is an additional adapted bathroom in the home, which is required by her disabled mother. This means Mina is placed in Council Tax band B.

To apply for support from the Disability Reduction Scheme, you would need to contact the Council Tax department of your local council. A written application must be made each financial year. If you were eligible in the past, it is possible to backdate your application. You would have to make a backdated application and provide evidence of your eligibility. Note that backdating may be limited to six years. Seek advice if you think the reduction should have been applied before then.

If you cannot pay your Council Tax bill

Talk to your council and seek advice

If you are not able to pay your Council Tax bill, you should contact your council as soon as possible to let them know. Councils are able to take legal action to recover debts, but most will try to find other solutions first. It’s important to check you’re getting all the help you’re entitled to.

Your council may be able to arrange a payment plan with you or put you in touch with other agencies who can help you with debt management. For more information on where to get help with debt, visit carersuk.org/debt. You could also get a benefits check from a local advice centre – visit advicelocal.uk or you could use this tool, provided by the benefits charity Turn2us, as a starting point: carersuk.org/benefits-calculator.

Challenging a decision

Appeals process

If you feel that you have been overcharged Council Tax because you have not had Council Tax Reduction (CTR), a discount or exemption applied to your bill, you can contact your local council within one month of the decision to ask them to reconsider it.

You should write to your council stating why you think the bill is wrong. They will then look at the bill and should either send you a new one if it is wrong, or if they think it is right, they should contact you to explain why.

The council has two months to reply. In England and Wales, if you disagree with the council's decision, or you don't hear back within two months, you can appeal to the Valuation Tribunal: t: **0303 445 8100**
w: valuationtribunal.gov.uk.

- If the council has replied to your letter, you have two months from the date of their reply to appeal the decision.
- If the council has not replied to your letter, you have four months from the date you originally wrote to the council disputing the bill.

In Scotland, if you disagree with the council's decision, or you don't hear back within two months, you can appeal to the Local Taxation Chamber. You must appeal within 42 days of the local council telling you the outcome of its review. You can also appeal to the tribunal if the local council hasn't responded to you within two months of your request for the decision to be reviewed.

The local council's review decision letter will tell you how to appeal and you can find out more about the appeal process on the Local Taxation Chamber website: localtaxationchamber.scot/

▶▶ **Note:** If you fall outside any of the time limits mentioned above, then it may still be possible to challenge the decision. You can seek help through local advice services here: [advicelocal.uk](https://www.advicelocal.uk). You will need to continue to pay the bill until the matter has been resolved.

Disagreeing with your Council Tax band

In certain circumstances, you can appeal against your Council Tax band – eg, if major changes have been made to the property (such as it being converted to flats). If you go ahead and it is agreed that your band is wrong, it will be corrected and your council will then update your Council Tax bill. It may increase or decrease as a result.

It is important to check that the process of revaluing your house for Council Tax banding will mean you are placed in a lower band. Before going ahead, you should compare your band with the banding of other comparable properties in your street and because bands are valued on 1991 prices in England and 1993 in Wales, you will also need to estimate what your home was worth in 1991. You do not want to find that your liability increases.

If you have done your research and feel that your home is in the wrong Council Tax band, in England and Wales, you can also contact the VOA at: [gov.uk/government/publications/contacting-your-regional-valuation-office/contacting-your-valuation-office](https://www.gov.uk/government/publications/contacting-your-regional-valuation-office/contacting-your-valuation-office).

If the VOA has reviewed your Council Tax band, but you disagree with their decision, you can challenge this decision by following the steps online at [gov.uk/challenge-council-tax-band](https://www.gov.uk/challenge-council-tax-band).

In Scotland you can locate your Council Tax band on the Scottish Assessors Association website at [saa.gov.uk](https://www.saa.gov.uk). You can then ‘Make a proposal’ online if you think it is wrong. Your proposal will go to the local assessor. If it can’t be resolved through discussion, it will then be sent to the local Valuation Appeal Committee for a decision.

Further help

Visit carersuk.org/local-support to search for services that may be able to offer help and support in your local area.

For tailored support, contact the Carers UK Helpline by email anytime to contact an adviser advice@carersuk.org or call **0808 808 7777** for more general information and signposting (Monday – Friday 9am-6pm).

Advice Local

You can search for local guidance to help with Council Tax such as discretionary housing payments, whether you're entitled to reductions in your bill and emergency assistance in your area.

w: advice.local.uk

Citizens Advice

Free, independent and confidential advice: w: citizensadvice.org.uk

Gov.uk

The UK government website provides detailed guidance and information

w: gov.uk/council-tax

Money Talk Team (Scotland only)

Confidential, impartial advice to help maximise income, deal with debt and reduce bills w: moneytalkteam.org.uk t: 0800 028 1456

Turn2Us

A leading UK wide benefits charity that offers practical support and information to people who are facing financial insecurity.


w: turn2us.org.uk Helpline form: <https://turn2us.custhelp.com/>

This factsheet is designed to provide helpful information and advice. It is not an authoritative statement of the law. We work to ensure that our factsheets are accurate and up to date, but information about benefits and community care is subject to change over time. We would recommend contacting the Carers UK Helpline or visiting our website for the latest information.

Please give us your feedback on this factsheet by emailing your comments to info@carersuk.org
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Carers UK Helpline

For expert information and advice about caring.

 **0808 808 7777**
(Monday – Friday 9am-6pm)

 advice@carersuk.org

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London SE1 4LX
020 7378 4999
info@carersuk.org

Carers Wales

029 2081 1370
info@carerswales.org

Carers Scotland

0141 378 1065
info@carerscotland.org

Carers Northern Ireland

028 9043 9843
advice@carersuk.org

However caring affects you, we're here

Caring will affect us all at some point in our lives.

With your help, we can be there for the 6,000 people who start looking after someone each day.

We're the UK's only national membership charity for carers: join us for free at carersuk.org/join

We're both a support network and a movement for change.

Visit us at our website to join us, help us or access more resources:

This information can be requested in large print or as a text file.