

## Factsheet 21

# Council Tax

May 2024

### About this factsheet

This factsheet aims to help you understand:

Council Tax liability and payment

Eligibility for Council Tax Reduction schemes (note, some local authorities use the term Council Tax Support instead)

Other ways of reducing your Council Tax bill.

The information in this factsheet is correct for the period May 2024 to April 2025. Benefit rates are reviewed annually and take effect in April but rules and amounts can sometimes change during the year.

The information in this factsheet is applicable to

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## Glossary

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AA – Attendance Allowance  
CTR – Council Tax  
Reduction/Support  
DLA – Disability Living  
Allowance  
DWP – Department for Work  
and Pensions  
ESA – Employment and Support  
Allowance

HMRC – HM Revenue and  
Customs  
PC – Pension Credit  
PIP – Personal Independence  
Payment  
SAR – Second Adult Rebate  
VOA – Valuation Office Agency

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# 1 What is Council Tax?

Council Tax is a property-based tax paid to local authorities. It is charged on domestic, self-contained dwellings such as houses, flats, bungalows, houseboats, and mobile homes, whether owned or rented. Every dwelling receives one Council Tax bill. If a property contains non-self-contained units (for example, a house divided into bedsits with a shared bathroom and kitchen), the property is one dwelling and gets one bill.

Every domestic dwelling is placed in one of eight Council Tax bands, depending on its value in 1991. A is the lowest band and H is the highest. The amount payable in each band is determined by each local authority setting an overall amount each year.

# 2 Your Council Tax bill

Local authorities should send out one Council Tax bill every year to every dwelling that is not exempt, regardless of how many people live there or are liable. Bills are usually sent out in March with the first payment due in April. The people in a household can decide how, or if, to share the bill between them, but the liable person or people remain responsible in law.

Your Council Tax bill should show the full amount of Council Tax for the dwelling according to its valuation band for the whole year, and show any disability reduction, discount, discretionary reduction, and Council Tax Reduction (CTR). The local authority assumes you remain eligible for any reductions, CTR, or discounts for the whole of the financial year.

The bill may show any credits due from past periods, penalties, and repayments of overpaid CTR and has the '*chargeable amount*' for the year – which is the amount you are required to pay. Most people have the right to pay in instalments. The usual arrangement is 10 monthly instalments but there can be different arrangements.



If you are an asylum seeker, the owner may be liable whether resident or not – seek advice if this applies to you.

### **Examples**

Anna lives with her son in a private rented house. The tenancy is in her son's name so he is solely liable for Council Tax, although Anna may agree to help with the bill. If they were joint tenants, they would both be liable.

The local authority has the right to ask residents and property owners for information to help decide who is resident and liable for Council Tax and can impose penalties if you do not respond. You can appeal against a penalty or decision about where you are resident and who is liable for Council Tax. See section 11 for more information.

## **4 If you do not pay your Council Tax**

If you are liable for Council Tax, it is important to make it a priority for payment because non-payment can have serious consequences. If you do not pay a Council Tax instalment on time, you should receive a reminder requiring payment within seven days.

If you are having problems paying Council Tax, contact the local authority promptly as they may be able to accept payment by instalments, apply discounts or otherwise help you to manage.

If you still fail to pay, the Council can demand you pay the full amount for the year and apply to a Magistrates' Court for a liability order. If this happens, you may also become liable for costs. There are different ways of enforcing a liability order, such as a direct deduction from wages or benefits, or seizure of your possessions by bailiffs.



### **Example**

Dawn is disabled and lives alone. Her house is in band D, which in her area means basic Council Tax of £1,100. She has a low income. As she fulfils the conditions for a disability reduction, her Council Tax is reduced to that of a Band C property, which



You can also make a proposal to change the band if you have moved to the property within the last six months or if your property has appeared on the valuation list in the last six months, for example because it is a new home.

There are exemptions for people, including students and people with a severe mental impairment. For more information, see DWP Guidance in section 12.

## 7.1

wholly occupied by people under the age of 18  
a student hall of residence  
armed forces barracks, married quarters or visiting  
forces accommodation.

## **7.2 Unoccupied dwelling exemptions**

A local authority may decide to exempt a



The local authority may visit the dwelling or request supporting evidence from a doctor, social worker or other professional to show that the adaptation to the property is appropriate for the disabled person. You need to renew the application at the start of each financial year.

If the local authority refuses to award a disability reduction, the decision can be appealed, see section 11.

## 9 Discounts

Council Tax assumes there are two or more people living in each dwelling. A discount is given if fewer than two adults count as resident for Council Tax purposes.

Even if there are several people in your household, you can sometimes qualify for a Council Tax discount, providing enough of them are not counted for Council Tax. This is sometimes called being '*invisible*' for Council Tax.

The following subsection explains how to work out who is counted as being resident in your property for Council Tax purposes.

### 9.1 How many people count for Council Tax?

To work out if you qualify for a discount, count up the number of people resident in your property for Council Tax purposes, leaving out:

anyone who has a severe mental impairment (see section 7.1)

anyone whose sole or main residence is somewhere else

anyone living in a care home, nursing home or a long-term hospital patient where that is their sole or main residence

a carer (paid or unpaid) who looks after someone in the same household for at least 35 hours a week. The cared for person must receive AA, DLA middle or high rate care component, PIP daily living component, armed forces independence payment or the highest rate of constant AA.

This can apply to carers who work or who are over State Pension age. More than one carer can be disregarded if they meet the conditions.

**Note:** This does not apply if the person receiving care is the partner of the carer or the carer's child aged under 18.

Some volunteer care workers working on behalf of, or introduced to the person they care for, by a charity, government department or local authority and who fulfil certain conditions. They are usually young people from an organisation like Volunteering Matters, who work at least 24 hours a week and have accommodation provided on the premises.

anyone aged under the age of 18

anyone for whom Child Benefit is payable and recent school/college leavers under the age of 20

full-time students, student nurses, certain apprentices and trainees

anyone in prison, on remand or detained under immigration or mental health legislation.

## 9.2 The amount of discount

Once you have worked out how many people count as living in your property, the following discounts apply:

a discount of 25 per cent, often called the single person discount, if only one person is, or counts as, resident

a discount of up to 50 per cent if no one is counted as resident (note you can get a total exemption if no one counts as resident because all residents are severely mentally impaired or students, see section 7.1).

The rules on discounts are separate from the rules on liability. This means there can be situations where a person who is invisible for Council Tax themselves is still liable to pay the Council Tax bill.

See the examples overleaf for how discounts can be applied.



The CTR scheme for each local authority should explain how to apply for a discretionary reduction. You must usually apply in writing or by telephone and include supporting evidence. It is a good idea to include details of household income and expenditure. If your application is refused, you can appeal, see section 11.

## **9.5 Applying for a discount**

The local authority may ask you for information to decide whether you should be getting any discounts. A discount can be backdated to the date it should have first applied. Whilst there is no limit to how far an application for backdating can be made, it is likely that the local authority will limit backdating to six years.

## **10 Council Tax Reduction (CTR)**

Each local authority in England is responsible for operating its own local scheme of Council Tax Reduction (or Council Tax Support in some areas). Eligibility and the amount of support varies



If you receive PC Guarantee Credit, your income and capital

you or your partner's dependent children or foster children

anyone jointly responsible for Council Tax (e.g. joint owner or tenant)

a boarder, sub-tenant or licensee

someone staying with you who normally lives elsewhere

live-in paid carers employed by a charity or voluntary organisation.

No deduction is made if you or your partner are:

receiving AA, PIP daily living component, DLA care component or Armed Forces Independent Payment (AFIP), or

blind, severely partially sighted, or treated as blind.

Likewise, no deduction is made if the non-dependant:

receives Universal Credit and does not have any earned income

receives PC, IS, income-based JSA or income-related ESA

is a full time student or receives a training allowance

is a member of the armed forces while deployed on operations

has been in hospital for more than 52 weeks (separate stays not more than 28 days apart are added together when calculating this).

### **Amount of non-dependant deduction**

If a non-dependant deduction is made, a fixed amount is deducted (see table below). Gross income of the non-dependant is the amount they earn before tax and other deductions are made. It does not include any income received from AA, PIP, DLA, AFIP or payments made under certain charitable funds.

If there is more than one non-dependant, a deduction is made for each of them but only one deduction is made for a couple. The deduction is

<b>Circumstances of the non-dependant</b>	<b>Weekly deduction from CTS</b>
Not working or working less than 16 hours a week	£4.90
Working 16 or more hours a week with average gross income less than £256.00	£4.90
Working 16 or more hours a week with average gross income between £256.00 and £444.99 a week	£10.05
Working 16 or more hours a week with average gross income between £445.00 and £553.99 a week	£12.60
Working 16 or more hours a week with average gross income £554.00 a week or more	£1



## 12 DWP Guidance

The DWP provides a range of guidance documents with information about benefits which you may find useful. For Council Tax, guidance can be found at:

[www.gov.uk/government/collections/housing-benefit-and-council-tax-benefit-manual](http://www.gov.uk/government/collections/housing-benefit-and-council-tax-benefit-manual)

Specific areas of guidance highlighted in this factsheet can be found by using the above link and selecting the appropriate heading:

**Council Tax exemptions** (section 7) legislation can be found at

[www.legislation.gov.uk/ukxi/1992/558/made](http://www.legislation.gov.uk/ukxi/1992/558/made)

**Non-dependant deductions** (



## Useful organisations

### **Citizens Advice**

[www.citizensadvice.org.uk](http://www.citizensadvice.org.uk)

Telephone 0800 144 8848

National network of advice centres offering free, confidential, independent advice, face to face or by telephone.

### **Disability Service Centre**

[www.gov.uk/disability-benefits-helpline](http://www.gov.uk/disability-benefits-helpline)

DWP helpline providing advice or information about claims for Disability Living Allowance, Personal Independence Payment or Attendance Allowance:

#### **Attendance Allowance (AA)**

Telephone 0800 731 0122

#### **Disability Living Allowance (DLA)**

If you were born on or before 8 April 1948

Telephone 0800 731 0122

If you were born after 8 April 1948

Telephone 0800 121 4600

#### **Personal Independence Payment (PIP)**

Telephone 0800 121 4433

### **Pension Service (The)**

[www.gov.uk/browse/working/state-pension](http://www.gov.uk/browse/working/state-pension)

Telephone 0800 731 0469

State Pension Forecasting Team 0800 731 0175

For details of state pensions, including forecasts and how to claim your pension.

### **Valuation Office Agency (VOA)**

[www.gov.uk/government/organisations/valuation-office-agency](http://www.gov.uk/government/organisations/valuation-office-agency)

Telephone 03000 501 501

Part of HM Revenues and Customs and is responsible for allocating the correct Council Tax band to homes.

## **Valuation Tribunal**

[www.valuationtribunal.gov.uk](http://www.valuationtribunal.gov.uk)

Telephone 0303 445 8100

Independent appeals tribunal for Council Tax and rating appeals. The full Council Tax Guidance Manual is available through this website.



## **Age UK**

Age UK provides advice and information for people in later life through our Age UK Advice line, publications and online. Call Age UK Advice to find out whether there is a local Age UK near you, and to order free copies of our information guides and factsheets.

### **Age UK Advice**

[www.ageuk.org.uk](http://www.ageuk.org.uk)

0800 169 65 65

Lines are open seven days a week from 8.00am to 7.00pm

### **In Wales contact**

#### **Age Cymru Advice**

## Our publications are available in large print and audio formats

### Next update May 2025

The evidence sources used to create this factsheet are available on request.

Contact *resources@ageuk.org.uk*

This factsheet has been prepared by Age UK and contains general advice only, which we hope will be of use to you. Nothing in this factsheet should be construed as the giving of specific advice and it