

*Status: Point in time view as at 31/10/2012.*

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# Local Government Finance Act 1992

## 1992 CHAPTER 14

### PART I

#### COUNCIL TAX: ENGLAND AND WALES

### CHAPTER I

#### MAIN PROVISIONS

#### *Amounts of tax payable*

#### 10 Basic amounts payable.

- (1) Subject to sections 11 to [F13A] below, a person who is liable to pay council tax in respect of any chargeable dwelling and any day shall, as respects the dwelling and the day, pay to the billing authority for the area in which the dwelling is situated an amount calculated in accordance with the formula—

$$\frac{A}{D}$$

where—

A is the amount which, for the financial year in which the day falls and for dwellings in the valuation band listed for the dwelling, has been set by the authority for its area or (as the case may be) the part of its area in which the dwelling is situated;

D is the number of days in the financial year.

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- (2) For the purposes of this Part the Secretary of State may make regulations containing rules for ascertaining in what part of a billing authority's area a dwelling is situated (whether situated in the area in fact or by virtue of regulations made under section 1(3) above).

#### Textual Amendments

- F1** Word in s. 10(1) substituted (31.10.2012) by [Local Government Finance Act 2012 \(c. 17\)](#), [Sch. 4 para. 4](#)

## 11 Discounts.

- (1) The amount of council tax payable in respect of any chargeable dwelling and any day shall be subject to a discount equal to the appropriate percentage of that amount if on that day—
- there is only one resident of the dwelling and he does not fall to be disregarded for the purposes of discount; or
  - there are two or more residents of the dwelling and each of them except one falls to be disregarded for those purposes.
- (2) Subject to <sup>F2</sup>sections 11A<sup>F3</sup>, 11B] and 12] below, the amount of council tax payable in respect of any chargeable dwelling and any day shall be subject to a discount equal to twice the appropriate percentage of that amount if on that day—
- there is no resident of the dwelling; or
  - there are one or more residents of the dwelling and each of them falls to be disregarded for the purposes of discount.
- (3) In this section <sup>F4</sup> . . . “the appropriate percentage” means 25 per cent. or, if the Secretary of State by order so provides in relation to the financial year in which the day falls, such other percentage as is specified in the order.
- (4) No order under subsection (3) above shall be made unless a draft of the order has been laid before and approved by resolution of the House of Commons.
- (5) Schedule 1 to this Act shall have effect for determining who shall be disregarded for the purposes of discount.

#### Textual Amendments

- F2** Words in s. 11(2) substituted (18.11.2003) by [Local Government Act 2003 \(c. 26\)](#), ss. 127(1), 128, [Sch. 7 para. 41](#)
- F3** Word in s. 11(2) inserted (31.10.2012) by [Local Government Finance Act 2012 \(c. 17\)](#), [s. 12\(3\)](#)
- F4** Words in s. 11(3) repealed (18.11.2003 for E. and 27.11.2003 for W.) by [Local Government Act 2003 \(c. 26\)](#), ss. 127(2), 128, [Sch. 8 Pt. 1](#); S.I. 2003/2938, [art. 3](#) (subject to [art. 8](#)); S.I. 2003/3034, [art. 2\(1\)\(4\)](#), [Sch. 1 Pt. 1](#)

### <sup>F5</sup>11A Discounts: special provision for England

- (1) The Secretary of State may for any financial year by regulations prescribe one or more classes of dwelling in England for the purposes of subsection (3)<sup>F6</sup>, (4) or (4A)] below.

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- (2) A class of dwellings may be prescribed under subsection (1) above by reference to such factors as the Secretary of State sees fit and may, in particular, be prescribed by reference to—
- the physical characteristics of dwellings, or
  - the fact that dwellings are unoccupied.
- (3) For any financial year for which a class of dwellings is prescribed for the purposes of this subsection, a billing authority in England may by determination provide in relation to all dwellings of that class in its area, or in such part of its area as it may specify in the determination, that the discount under section 11(2)(a) shall be such lesser percentage of at least 10 as it may so specify.
- (4) For any financial year for which a class of dwellings is prescribed for the purposes of this subsection, a billing authority in England may by determination provide in relation to all dwellings of that class in its area, or in such part of its area as it may specify in the determination—
- that the discount under section 11(2)(a) above shall not apply, or
  - that the discount under that provision shall be such lesser percentage as it may so specify.
- [ For any financial year for which a class of dwellings is prescribed for the purposes of
- <sup>F7</sup>(4A) this subsection, a billing authority in England may by determination provide—
- in relation to all dwellings of that class in its area, or
  - in relation to such description of dwellings of that class as it may specify in the determination,
- that the discount under section 11(2)(a) shall not apply or shall be such percentage (which may be 100) as it may so specify.
- (4B) Where a class of dwellings is prescribed for the purposes of subsection (4A) by reference to the period of time for which a condition is met, a billing authority may not, under paragraph (b) of that subsection, specify a description of dwellings of that class by reference (wholly or partly) to a shorter such period.]
- [ Subsections (3), (4) and (4A) are subject to section 11B(4).]
- <sup>F8</sup>(4C)
- (5) A billing authority may make a determination varying or revoking a determination under subsection (3)[<sup>F9</sup>, (4) or (4A)] for a financial year, but only before the beginning of the year.
- (6) A billing authority which makes a determination under this section shall publish a notice of it in at least one newspaper circulating in its area and do so before the end of the period of 21 days beginning with the date of the determination.
- (7) Failure to comply with subsection (6) above shall not affect the validity of a determination.]

#### Textual Amendments

- F5** S. 11A inserted (18.11.2003) by [Local Government Act 2003 \(c. 26\), s. 75\(1\)](#)
- F6** Words in s. 11A(1) substituted (31.10.2012) by [Local Government Finance Act 2012 \(c. 17\), s. 11\(2\)](#)
- F7** S. 11A(4A)(4B) inserted (31.10.2012) by [Local Government Finance Act 2012 \(c. 17\), s. 11\(1\)](#)
- F8** S. 11A(4C) inserted (31.10.2012) by [Local Government Finance Act 2012 \(c. 17\), s. 12\(4\)](#)

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**F9** Words in s. 11A(5) substituted (31.10.2012) by [Local Government Finance Act 2012 \(c. 17\), s. 11\(2\)](#)

**[<sup>F10</sup>11B Higher amount for long-term empty dwellings: England**

- (1) For any financial year, a billing authority in England may by determination provide in relation to its area, or such part of its area as it may specify in the determination, that if on any day a dwelling is a long-term empty dwelling—
  - (a) the discount under section 11(2)(a) shall not apply, and
  - (b) the amount of council tax payable in respect of that dwelling and that day shall be increased by such percentage of not more than 50 as it may so specify.
- (2) The Secretary of State may by regulations prescribe one or more classes of dwelling in relation to which a billing authority may not make a determination under this section.
- (3) A class of dwellings may be prescribed under subsection (2) by reference to such factors as the Secretary of State thinks fit and may, in particular, be prescribed by reference to—
  - (a) the physical characteristics of, or other matters relating to, dwellings;
  - (b) the circumstances of, or other matters relating to, any person who is liable to the amount of council tax concerned.
- (4) Where a determination under this section has effect in relation to a class of dwellings—
  - (a) the billing authority may not make a determination under section 11A(3), (4) or (4A) in relation to that class, and
  - (b) any determination that has been made under section 11A(3), (4) or (4A) ceases to have effect in relation to that class.
- (5) A billing authority may make a determination varying or revoking a determination under this section for a financial year, but only before the beginning of the year.
- (6) A billing authority which makes a determination under this section must publish a notice of it in at least one newspaper circulating in its area and do so before the end of the period of 21 days beginning with the date of the determination.
- (7) Failure to comply with subsection (6) does not affect the validity of a determination.
- (8) For the purposes of this section, a dwelling is a “long-term empty dwelling” on any day if for a continuous period of at least 2 years ending with that day—
  - (a) it has been unoccupied, and
  - (b) it has been substantially unfurnished.
- (9) In determining whether a dwelling is a long-term empty dwelling, no account is to be taken of any one or more periods of not more than 6 weeks during which either of the conditions in subsection (8)(a) and (b) is not met (or neither of them is met).
- (10) The Secretary of State may by regulations substitute a different period, of not less than 6 weeks, for the period which is for the time being specified in subsection (9).]

**Textual Amendments**

**F10** S. 11B inserted (31.10.2012) by [Local Government Finance Act 2012 \(c. 17\), s. 12\(2\)](#) (with s. 12(15))

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## [<sup>F11</sup>12 Discounts: special provision for Wales.

- (1) The National Assembly for Wales may for any financial year by regulations prescribe one or more classes of dwelling in Wales for the purposes of subsection (3) or (4) below.
- (2) A class of dwellings may be prescribed under subsection (1) above by reference to such factors as the Assembly sees fit and may, in particular, be prescribed by reference to—
  - (a) the physical characteristics of dwellings, or
  - (b) the fact that dwellings are unoccupied.
- (3) For any financial year for which a class of dwellings is prescribed for the purposes of this subsection, a billing authority in Wales may by determination provide in relation to all dwellings of that class in its area, or in such part of its area as it may specify in the determination, that the discount under section 11(2)(a) shall be such lesser percentage of at least 10 as it may so specify.
- (4) For any financial year for which a class of dwellings is prescribed for the purposes of this subsection, a billing authority in Wales may by determination provide in relation to all dwellings of that class in its area, or in such part of its area as it may specify in the determination—
  - (a) that the discount under section 11(2)(a) above shall not apply, or
  - (b) that the discount under that provision shall be such lesser percentage as it may so specify.
- (5) A billing authority may make a determination varying or revoking a determination under subsection (3) or (4) for a financial year, but only before the beginning of the year.
- (6) A billing authority which makes a determination under this section shall publish a notice of it in at least one newspaper circulating in its area and do so before the end of the period of 21 days beginning with the date of the determination.
- (7) Failure to comply with subsection (6) above shall not affect the validity of a determination.]

### Textual Amendments

**F11** S. 12 substituted (27.11.2003) by [Local Government Act 2003 \(c. 26\), ss. 75\(2\), 128](#); [S.I. 2003/3034, art. 2\(1\)\(4\), Sch. 1 Pt. 1](#)

## 13 Reduced amounts.

- (1) The Secretary of State may make regulations as regards any case where—
  - (a) a person is liable to pay an amount to a billing authority in respect of council tax for any financial year which is prescribed; and
  - (b) prescribed conditions are fulfilled.
- (2) The regulations may provide that the amount he is liable to pay shall be an amount which—
  - (a) is less than the amount it would be apart from the regulations; and
  - (b) is determined in accordance with prescribed rules.

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- (3) This section applies whether the amount mentioned in subsection (1) above is determined under section 10 above or under that section read with section 11<sup>F12</sup>, 11A<sup>F13</sup>, 11B<sup>F13</sup> or 12 above.
- (4) The conditions mentioned in subsection (1) above may be prescribed by reference to such factors as the Secretary of State thinks fit; and in particular such factors may include the making of an application by the person concerned and all or any of—
- (a) the factors mentioned in subsection (5) below; or
  - (b) the factors mentioned in subsection (6) below.
- (5) The factors referred to in subsection (4)(a) above are—
- (a) community charges for a period before 1st April 1993;
  - (b) the circumstances of, or other matters relating to, the person concerned;
  - (c) an amount relating to the authority concerned and specified, or to be specified, for the purposes of the regulations in a report laid, or to be laid, before the House of Commons;
  - (d) such other amounts as may be prescribed or arrived at in a prescribed manner.
- (6) The factors referred to in subsection (4)(b) above are—
- (a) a disabled person having his sole or main residence in the dwelling concerned;
  - (b) the circumstances of, or other matters relating to, that person;
  - (c) the physical characteristics of, or other matters relating to, that dwelling.
- (7) The rules mentioned in subsection (2) above may be prescribed by reference to such factors as the Secretary of State thinks fit; and in particular such factors may include all or any of the factors mentioned in subsection (5) or subsection (6)(b) or (c) above.
- (8) Without prejudice to the generality of section 113(2) below, regulations under this section may include—
- (a) provision requiring the Secretary of State to specify in a report, for the purposes of the regulations, an amount in relation to each billing authority;
  - (b) provision requiring him to lay the report before the House of Commons;
  - (c) provision for the review of any prescribed decision of a billing authority relating to the application or operation of the regulations;
  - (d) provision that no appeal may be made to a valuation tribunal in respect of such a decision, notwithstanding section 16(1) below.
- (9) To the extent that he would not have power to do so apart from this subsection, the Secretary of State may—
- (a) include in regulations under this section such amendments of any social security instrument as he thinks expedient in consequence of the regulations under this section;
  - (b) include in any social security instrument such provision as he thinks expedient in consequence of regulations under this section.
- (10) In subsection (9) above “social security instrument” means an order or regulations made, or falling to be made, by the Secretary of State under the Social Security Acts, that is to say, the <sup>M1</sup>Social Security Contributions and Benefits Act 1992 and the <sup>M2</sup>Social Security Administration Act 1992.

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#### Textual Amendments

- F12** Words in s. 13(3) inserted (18.11.2003) by [Local Government Act 2003 \(c. 26\)](#), s. 127(1), [Sch. 7 para. 42](#)
- F13** Word in s. 13(3) inserted (31.10.2012) by [Local Government Finance Act 2012 \(c. 17\)](#), [s. 12\(5\)](#)

#### Modifications etc. (not altering text)

- C7** S. 13(5) modified (W.) (7.2.1996) by [S.I.1996/56](#), art. 2(1)
- S. 13(5) modified (E.) (22.2.1996) by [S.I. 1996/176](#), [reg. 4](#) (as modified by [S.I. 1998/214](#), [reg. 11](#), [Sch. 4](#))
- S. 13(5) modified (E.) (25.2.1997) by [S.I. 1997/215](#), [reg. 4](#) (as modified by [S.I. 1998/214](#), [reg. 11](#), [Sch. 5](#))
- S. 13(5) modified (E.) (27.2.1998) by [S.I. 1998/214](#), [reg. 4](#)
- S. 13(5) modified (26.2.1999) by [S.I. 1999/259](#), [reg. 4](#)

#### Marginal Citations

- M1** [1992 c. 4](#).
- M2** [1992 c. 5](#).

### [<sup>F14</sup>13A Reductions by billing authority

- (1) The amount of council tax which a person is liable to pay in respect of any chargeable dwelling and any day (as determined in accordance with sections 10 to 13)—
  - (a) in the case of a dwelling situated in the area of a billing authority in England, is to be reduced to the extent, if any, required by the authority's council tax reduction scheme (see subsection (2));
  - (b) in the case of a dwelling situated in the area of a billing authority in Wales, is to be reduced to the extent, if any, required by any council tax reduction scheme made under regulations under subsection (4) that applies to that dwelling;
  - (c) in any case, may be reduced to such extent (or, if the amount has been reduced under paragraph (a) or (b), such further extent) as the billing authority for the area in which the dwelling is situated thinks fit.
- (2) Each billing authority in England must make a scheme specifying the reductions which are to apply to amounts of council tax payable, in respect of dwellings situated in its area, by—
  - (a) persons whom the authority considers to be in financial need, or
  - (b) persons in classes consisting of persons whom the authority considers to be, in general, in financial need.
- (3) Schedule 1A (which contains provisions about schemes under subsection (2)) has effect.
- (4) The Welsh Ministers may by regulations—
  - (a) require a person or body specified in the regulations to make a scheme specifying the reductions which are to apply to amounts of council tax payable, in respect of dwellings to which the scheme applies, by persons to whom the scheme applies,
  - (b) impose requirements on that person or body regarding the matters which must be included in that scheme, and
  - (c) make other provision for and in connection with such schemes.

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- (5) Schedule 1B (which contains further provisions about regulations under subsection (4) and about schemes under those regulations) has effect.
- (6) The power under subsection (1)(c) includes power to reduce an amount to nil.
- (7) The power under subsection (1)(c) may be exercised in relation to particular cases or by determining a class of case in which liability is to be reduced to an extent provided by the determination.
- (8) No regulations under subsection (4) are to be made unless a draft of the statutory instrument containing them has been laid before, and approved by a resolution of, the National Assembly for Wales.
- (9) In this Part “council tax reduction scheme” means a scheme under subsection (2) or regulations under subsection (4).]

#### Textual Amendments

**F14** S. 13A substituted (31.10.2012) by [Local Government Finance Act 2012 \(c. 17\), s. 10\(1\)](#)

#### [<sup>F15</sup>13B Transitional arrangements

- (1) The Secretary of State may by regulations make provision for the purpose of smoothing changes in council tax liability resulting from the coming into force in relation to a billing authority in England of—
  - (a) an order under section 5 above, or
  - (b) a list under section 22B below.
- (2) The National Assembly for Wales may by regulations make provision for the purpose of smoothing changes in council tax liability resulting from the coming into force in relation to a billing authority in Wales of—
  - (a) an order under section 5 above, or
  - (b) a list under section 22B below.
- (3) Regulations under this section may, in particular—
  - (a) make provision about the circumstances in which changes are to be smoothed;
  - (b) make provision for changes to be smoothed over such one or more financial years as may be specified in the regulations;
  - (c) make provision for liability for any financial year to be determined in accordance with such rules as may be so specified, which may result in liability being the same as or different from what it would otherwise be.
- (4) Without prejudice to section 113(1) below, regulations under this section may make different provision for different financial years.
- (5) To the extent that he would not have power to do so apart from this subsection, the Secretary of State may—
  - (a) include in regulations made by him under this section such amendments of any social security instrument as he thinks expedient in consequence of the regulations;
  - (b) include in any social security instrument such provision as he thinks expedient in consequence of regulations under this section.



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(6) In subsection (5) above, “social security instrument” has the meaning given by section 13(10) above.]

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**Textual Amendments**

**F15** S. 13B inserted (18.11.2003) by [Local Government Act 2003 \(c. 26\)](#), s. 79

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