
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make provision for a reduction in liability for council tax (“council tax reduction”) for persons who have not reached the qualifying age for state pension credit and for persons who have reached that age and receive income support or income-based jobseeker's allowance. (Provision relating to a reduction in liability for council tax reduction for those who have reached the qualifying age for state pension credit and do not receive those benefits is contained in the Council Tax Reduction (State Pension Credit) (Scotland) Regulations 2012.)

Part 1 of the Regulations contains general provisions (regulations 2 to 6).

Part 2 deals with families. Regulation 7 provides that only one member of a family can be entitled to council tax reduction. Regulation 9 provides that where an applicant for council tax reduction is in receipt of an income related benefit the income and capital of all family members is to be treated as the income and capital of the applicant. Regulation 10 describes the situation where a person is to be treated as responsible for another person. Regulation 11 describes the situations where a person is to be treated as being a member of a household.

In Part 3, regulation 12 describes the persons to whom the Regulations apply and regulation 13 provides that the Regulations apply to the financial year commencing 1st April 2013 and each subsequent financial year.

In Part 4, regulation 14 describes the conditions of entitlement to council tax reduction and regulations 15 to 20 describe the categories of persons who are not entitled to council tax reduction. These are absentees from the dwelling (regulation 15), persons treated as not in Great Britain (regulations 16 to 18), persons subject to immigration control (regulation 19) and students (regulation 20).

Part 5 (regulations 21 to 23) and Schedule 1 provide for the calculation of the applicable amount, which is a sum representing the needs of the applicant and the applicant's family.

Part 6 has provision for the calculation of income and capital.

Chapter 1 provides for the income of persons other than the applicant to be treated as the applicant's (regulations 24 and 25). Chapter 2 deals with the calculation of income and capital for persons in receipt of universal credit (regulation 26). Chapter 3 sets out how income should be calculated for the purpose of calculating entitlement to council tax reduction (regulations 27 to 33). Chapter 4 deals with the income of employed earners (regulations 34 and 35) and chapter 5 with the income of self-employed earners (regulations 36 to 38). Schedule 3 sets out the sums to be disregarded when calculating earnings. Chapter 6 deals with other types of income; regulation 39 deals with income other than earnings, regulation 40 with capital to be treated as income and regulation 41 with notional income. Schedule 4 sets out the sums to be disregarded when calculating income other than earnings.

Chapter 7 has provision for the calculation of capital (regulations 42 to 51) and Schedule 5 describes capital that is to be disregarded.

Part 7 provides for the treatment of students. Chapter 1 has general provision for students (regulations 52 and 53) and chapter 2 deals with the calculation of the income of students (regulations 54 to 65).

Part 8 sets out the formula for calculating the maximum amount of council tax reduction to which a person is entitled (regulation 66). It also provides for an extended period of entitlement of up to 4 weeks in specified circumstances (regulations 68 to 77). Regulation 78 and Schedule 2 describe the situation where the alternative maximum council tax reduction applies.

Part 9 deals with when entitlement to council tax reduction begins and when a change in entitlement as a result of a change in circumstances take effect (regulations 80 and 81).

Changes to legislation: *There are currently no known outstanding effects for the The Council Tax Reduction (Scotland) Regulations 2012. (See end of Document for details)*

Part 10 deals with the application process. Regulation 82 describes who may apply and regulations 83 to 88 provide for other aspects of the process, including the form of applications and withdrawal of applications.

Part 11 provides for a duty to notify the relevant authority of a change of circumstances (regulations 89 and 90).

Part 12 allows for the sending of documents by electronic communication (regulation 91).

Part 13 contains transitional provision (regulation 92), savings provision (regulation 93 and Schedule 6) and consequential amendments (regulation 94 and Schedule 7).

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