

---

## EXPLANATORY NOTE

*(This note is not part of the Order)*

The Local Government Finance Act 1992 (“the 1992 Act”) provides for council tax to be payable in respect of a dwelling in Scotland by reference to which of the 8 valuation bands the dwelling falls within. Section 74(1) of that Act specifies a proportion which serves to determine the relationship between council tax levels for dwellings in the different bands within each local authority’s area. This Order substitutes a new proportion for the purposes of section 74(1). The proportion is changed for the first time since being set by the 1992 Act and the new proportion will have effect from financial year 2017-18 onwards.

The new proportion has the effect of increasing the levels of tax payable for dwellings in the higher 4 bands (E to H) relative to that payable for dwellings in the lower 4 bands.