

## POLICY NOTE

### THE COUNCIL TAX (EXEMPT DWELLINGS) (SCOTLAND) (AMENDMENT) ORDER 2022

#### SSI 2022/272

1. The above instrument is made in exercise of the powers conferred by section 72(6) and (7) of the Local Government Finance Act 1992. It is subject to the negative procedure.

**This instrument amends the Council Tax (Exempt Dwellings) (Scotland) Order 1997 to exempt from liability to council tax dwellings which are used to provide self-contained accommodation to people who were living in Ukraine immediately before 1 January 2022, left in connection with the Russian invasion which took place on 24 February 2022, and, in accordance with section 3ZA of the Immigration Act 1971, do not require leave to enter or remain in the United Kingdom. This captures Irish citizens and ensures that they are treated in the same way as any person who meets the conditions in paragraph 26 of schedule 1 of the Exempt Dwellings (Scotland) Order 1997 by a different route.**

#### Policy Objectives

2. This instrument amends the Council Tax (Exempt Dwellings) (Scotland) Order 1997 to exempt from liability to council tax dwellings which are used to provide self-contained accommodation to people who were living in Ukraine immediately before 1 January 2022, left in connection with the Russian invasion which took place on 24 February 2022 and, in accordance with section 3ZA of the Immigration Act 1971, do not require leave to enter or remain in the United Kingdom. This captures Irish citizens and ensures that they are treated in the same way as any person who meets the conditions in paragraph 26 of schedule 1 of the Exempt Dwellings (Scotland) Order 1997 by a different route.

3. Under the UK Government's Homes for Ukraine scheme property owners can offer to house persons coming to the UK under that scheme in a property that they own but do not live in (such as a second home or a long-term empty property). Under the council tax system such persons living in a property would ordinarily become liable for paying the council tax on that property. The policy intention is for that not to be the case, and for persons coming under the Homes for Ukraine scheme not to be liable for council tax. The same also applies to Ukrainian refugees coming otherwise than under the Homes for Ukraine scheme.

4. This instrument therefore amends the Council Tax (Exempt Dwellings) (Scotland) Order 1997, so that a property that is used exclusively as "the sole or main residence" of an Irish citizen falling within the description above is exempt from council tax. It also means that properties that have other exempt persons, such as students, and in which a Ukrainian refugee who is an Irish citizen is housed, will also continue to be exempt. A property that houses Ukrainian refugees and other persons who are not exempt will not be exempt from council tax.

#### Consultation

5. No formal consultation was required to be carried out in relation to these Regulations.

## **Impact Assessments and Financial Effects**

6. The potentially lower level of income from council tax due to such properties accommodating Ukrainian refugees has been considered by COSLA. As they view the income foregone from this change to be minimal COSLA is content with the Scottish Government's approach.

Scottish Government  
Directorate for Local Government & Communities  
September 2022