



# Local Government Finance Act 1988

## 1988 CHAPTER 41

### PART VI

#### FUNDS

##### *Transfers between funds*

**[97] <sup>F1</sup>Principal transfers between funds.**

- (1) Subject to subsection (2) below, a billing authority which has made calculations in accordance with sections [<sup>F2</sup>31A, 31B and 34 to 36] of the Local Government Finance Act 1992 (originally or by way of substitute) shall transfer from its collection fund to its general fund an amount which shall be calculated by applying the formula—

$$B \times T$$

where—

B is the amount calculated (or last calculated) by the authority under section [<sup>F3</sup>31B(1)] of that Act as the basic amount of its council tax;

T is the amount determined for item T in section [<sup>F4</sup>31B(1)] of that Act.

- (2) Where the amount given by subsection (1) above is a negative amount, the authority shall transfer the equivalent positive amount from its general fund to its collection fund.

[ The Secretary of State may by regulations make provision requiring a billing authority <sup>F5</sup>(2A) to transfer from its collection fund to its general fund such amounts as may be specified in or determined in accordance with the regulations by reference to—

- (a) sums received by the authority in respect of non-domestic rates under this Act, and
- (b) sums received by the authority under or by virtue of Schedule 7B (local retention of non-domestic rates) and required to be paid into its collection fund by virtue of provision made by or under section 90(1)(d) or (da).

**Changes to legislation:** Local Government Finance Act 1988, Section 97 is up to date with all changes known to be in force on or before 30 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (2B) The Secretary of State may by regulations make provision requiring a billing authority to transfer from its general fund to its collection fund such amounts as may be specified in or determined in accordance with the regulations by reference to sums received by the authority in respect of non-domestic rates under this Act.]
- (3) Where in accordance with regulations under section 99(3) below a billing authority has estimated that there is a surplus in its collection fund for the preceding year, it shall transfer from its collection fund to its general fund an amount equal to so much of the surplus as, in accordance with the regulations, the authority calculates to be its share.
- (4) Where in accordance with regulations under section 99(3) below a billing authority has estimated that there is a deficit in its collection fund for the preceding year, it shall transfer from its general fund to its collection fund an amount equal to so much of the deficit as, in accordance with the regulations, the authority calculates must be borne by it.
- <sup>F6</sup>(4A) . . . . .
- (5) In this section and sections 98 and 99 below, any reference to a billing authority's general fund shall be construed in relation to the Common Council as a reference to the City fund.]

#### Textual Amendments

- F1** S. 97 substituted (6.3.1992) by 1992 c. 14, s. 104, **Sch. 10 Pt. III para.22** (with s. 118(1)(2)(4))
- F2** Words in s. 97(1) substituted (3.12.2011) by Localism Act 2011 (c. 20), s. 240(2), **Sch. 7 para. 4(a)**; S.I. 2011/2896, art. 2(i)
- F3** Word in s. 97(1) substituted (3.12.2011) by Localism Act 2011 (c. 20), s. 240(2), **Sch. 7 para. 4(b)**; S.I. 2011/2896, art. 2(i)
- F4** Word in s. 97(1) substituted (3.12.2011) by Localism Act 2011 (c. 20), s. 240(2), **Sch. 7 para. 4(c)**; S.I. 2011/2896, art. 2(i)
- F5** S. 97(2A)(2B) inserted (with effect in accordance with s. 5(3) of the amending Act) by Local Government Finance Act 2012 (c. 17), **Sch. 3 para. 25(2)**
- F6** S. 97(4A) omitted (with effect in accordance with s. 5(3) of the amending Act) by virtue of Local Government Finance Act 2012 (c. 17), **Sch. 3 para. 25(3)**

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

- C1** S. 97 restricted (6.3.1992) by 1992 c. 14, s. 62(2) (with s. 118(1)(2)(4))  
S. 97 modified (27.7.1999) by 1992 c. 14, s. 52k(2) (as inserted by 1999 c. 27, s. 30, **Sch. 1 Pt. I para. 1**)  
S. 97 modified (27.7.1999) by 1992 c. 14, s. 52V(3)(as inserted by 1999 c. 27, s. 30, **Sch. 1 Pt. I para. 1**)
- C2** Ss. 97, 98 modified by 1992 c. 14, s. 52ZI(2)(3) (as inserted (3.12.2011) by Localism Act 2011 (c. 20), ss. 72(1), 240(2), **Sch. 5**; S.I. 2011/2896, art. 2(i))
- C3** Ss. 97, 98 modified by 1992 c. 14, s. 52ZW(4) (as inserted (3.12.2011) by Localism Act 2011 (c. 20), ss. 72(1), 240(2), **Sch. 5**; S.I. 2011/2896, art. 2(i))

**Changes to legislation:**

Local Government Finance Act 1988, Section 97 is up to date with all changes known to be in force on or before 30 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.  
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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 52A inserted by [2023 c. 53 s. 8](#)
- s. 54(7A) inserted by [2023 c. 53 Sch. para. 34](#)
- s. 63A(1A) inserted by [2023 c. 53 s. 12\(1\)](#)
- s. 63E inserted by [2023 c. 53 s. 12\(2\)](#)
- s. 67(8A)(8B) inserted by [2023 c. 53 Sch. para. 37\(a\)](#)
- s. 143(9AZB) inserted by [2023 c. 53 Sch. para. 39\(a\)](#)
- Sch. 5A para. 8 inserted by [2023 c. 53 Sch. para. 38](#)
- Sch. 9 para. 4B-4H and cross-heading inserted by [2023 c. 53 s. 13\(2\)](#)
- Sch. 9 para. 4I-4M and cross-heading inserted by [2023 c. 53 s. 13\(3\)](#)
- Sch. 9 para. 5BA-5BC and cross-heading inserted by [2023 c. 53 s. 13\(6\)](#)
- Sch. 9 para. 5BD-5BF and cross-heading inserted by [2023 c. 53 s. 13\(7\)](#)
- Sch. 9 para. 5CA and cross-heading inserted by [2023 c. 53 Sch. para. 46](#)
- Sch. 9 para. 5CB inserted by [2023 c. 53 Sch. para. 47](#)
- Sch. 9 para. 5F(1A)(1B) inserted by [2023 c. 53 Sch. para. 49\(c\)](#)
- Sch. 9 para. 5F(A1) inserted by [2023 c. 53 Sch. para. 49\(a\)](#)
- Sch. 9 para. 5FA inserted by [2023 c. 53 Sch. para. 50](#)
- Sch. 9 para. 5FB inserted by [2023 c. 53 Sch. para. 51](#)
- Sch. 9 para. 5ZA5ZB and cross-heading inserted by [2023 c. 53 s. 13\(4\)](#)
- Sch. 9 para. 5ZC-5ZF and cross-heading inserted by [2023 c. 53 s. 13\(5\)](#)
- Sch. 9 para. 7B inserted by [2023 c. 53 s. 10](#)