



Local Government Finance Act 1992

1992 CHAPTER 14

PART I

COUNCIL TAX: ENGLAND AND WALES

CHAPTER I

MAIN PROVISIONS

Preliminary

1 Council tax in respect of dwellings

- (1) As regards the financial year beginning in 1993 and subsequent financial years, each billing authority shall, in accordance with this Part, levy and collect a tax, to be called council tax, which shall be payable in respect of dwellings situated in its area.
- (2) In this Part “billing authority” means a district or London borough council, the Common Council or the Council of the Isles of Scilly.
- (3) For the purposes of this Part the Secretary of State may make regulations containing rules for treating a dwelling as situated in a billing authority’s area if part only of the dwelling falls within the area.

2 Liability to tax determined on a daily basis

- (1) Liability to pay council tax shall be determined on a daily basis.
- (2) For the purposes of determining for any day—
 - (a) whether any property is a chargeable dwelling;
 - (b) which valuation band is shown in the billing authority’s valuation list as applicable to any chargeable dwelling;
 - (c) the person liable to pay council tax in respect of any such dwelling; or

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(d) whether any amount of council tax is subject to a discount and (if so) the amount of the discount,

it shall be assumed that any state of affairs subsisting at the end of the day had subsisted throughout the day.

Chargeable dwellings

3 Meaning of “dwelling”

(1) This section has effect for determining what is a dwelling for the purposes of this Part.

(2) Subject to the following provisions of this section, a dwelling is any property which—

- (a) by virtue of the definition of hereditament in section 115(1) of the General Rate Act 1967, would have been a hereditament for the purposes of that Act if that Act remained in force; and
- (b) is not for the time being shown or required to be shown in a local or a central non-domestic rating list in force at that time; and
- (c) is not for the time being exempt from local non-domestic rating for the purposes of Part III of the Local Government Finance Act 1988 (“the 1988 Act”);

and in applying paragraphs (b) and (c) above no account shall be taken of any rules as to Crown exemption.

(3) A hereditament which—

- (a) is a composite hereditament for the purposes of Part III of the 1988 Act; and
- (b) would still be such a hereditament if paragraphs (b) to (d) of section 66(1) of that Act (domestic property) were omitted,

is also, subject to subsection (6) below, a dwelling for the purposes of this Part.

(4) Subject to subsection (6) below, none of the following property, namely—

- (a) a yard, garden, outhouse or other appurtenance belonging to or enjoyed with property used wholly for the purposes of living accommodation; or
- (b) a private garage which either has a floor area of not more than 25 square metres or is used wholly or mainly for the accommodation of a private motor vehicle; or
- (c) private storage premises used wholly or mainly for the storage of articles of domestic use,

is a dwelling except in so far as it forms part of a larger property which is itself a dwelling by virtue of subsection (2) above.

(5) The Secretary of State may by order provide that in such cases as may be prescribed by or determined under the order—

- (a) anything which would (apart from the order) be one dwelling shall be treated as two or more dwellings; and
- (b) anything which would (apart from the order) be two or more dwellings shall be treated as one dwelling.

(6) The Secretary of State may by order amend any definition of “dwelling” which is for the time being effective for the purposes of this Part.

4 Dwellings chargeable to council tax

- (1) Council tax shall be payable in respect of any dwelling which is not an exempt dwelling.
- (2) In this Chapter—
 - “chargeable dwelling” means any dwelling in respect of which council tax is payable;
 - “exempt dwelling” means any dwelling of a class prescribed by an order made by the Secretary of State.
- (3) For the purposes of subsection (2) above, a class of dwellings may be prescribed by reference to such factors as the Secretary of State sees fit.
- (4) Without prejudice to the generality of subsection (3) above, a class of dwellings may be prescribed by reference to one or more of the following factors—
 - (a) the physical characteristics of dwellings;
 - (b) the fact that dwellings are unoccupied or are occupied for prescribed purposes or are occupied or owned by persons of prescribed descriptions.

5 Different amounts for dwellings in different valuation bands

- (1) The amounts of council tax payable in respect of dwellings situated in the same billing authority’s area (or the same part of such an area) and listed in different valuation bands shall be in the proportion—

6: 7: 8: 9: 11: 13: 15: 18

where 6 is for dwellings listed in valuation band A, 7 is for dwellings listed in valuation band B, and so on.
- (2) The valuation bands for dwellings in England are set out in the following Table—

<i>Range of values</i>	<i>Valuation band</i>
Values not exceeding £40,000	A
Values exceeding £40,000 but not exceeding £52,000	B
Values exceeding £52,000 but not exceeding £68,000	C
Values exceeding £68,000 but not exceeding £88,000	D
Values exceeding £88,000 but not exceeding £120,000	E
Values exceeding £120,000 but not exceeding £160,000	F
Values exceeding £160,000 but not exceeding £320,000	G
Values exceeding £320,000	H

- (3) The valuation bands for dwellings in Wales are set out in the following Table—

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<i>Range of values</i>	<i>Valuation band</i>
Values not exceeding £30,000	A
Values exceeding £30,000 but not exceeding £39,000	B
Values exceeding £39,000 but not exceeding £51,000	C
Values exceeding £51,000 but not exceeding £66,000	D
Values exceeding £66,000 but not exceeding £90,000	E
Values exceeding £90,000 but not exceeding £120,000	F
Values exceeding £120,000 but not exceeding £240,000	G
Values exceeding £240,000	H

- (4) The Secretary of State may by order, as regards financial years beginning on or after such date as is specified in the order—
- (a) substitute another proportion for that which is for the time being effective for the purposes of subsection (1) above;
 - (b) substitute other valuation bands for those which are for the time being effective for the purposes of subsection (2) or (3) above.
- (5) No order under subsection (4) above shall be made unless a draft of the order has been laid before and approved by resolution of the House of Commons.
- (6) Any reference in this Part to dwellings listed in a particular valuation band shall be construed as a reference to dwellings to which that valuation band is shown as applicable in the billing authority's valuation list.

Liability to tax

6 Persons liable to pay council tax

- (1) The person who is liable to pay council tax in respect of any chargeable dwelling and any day is the person who falls within the first paragraph of subsection (2) below to apply, taking paragraph (a) of that subsection first, paragraph (b) next, and so on.
- (2) A person falls within this subsection in relation to any chargeable dwelling and any day if, on that day—
- (a) he is a resident of the dwelling and has a freehold interest in the whole or any part of it;
 - (b) he is such a resident and has a leasehold interest in the whole or any part of the dwelling which is not inferior to another such interest held by another such resident;
 - (c) he is both such a resident and a statutory or secure tenant of the whole or any part of the dwelling;

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- (d) he is such a resident and has a contractual licence to occupy the whole or any part of the dwelling;
 - (e) he is such a resident; or
 - (f) he is the owner of the dwelling.
- (3) Where, in relation to any chargeable dwelling and any day, two or more persons fall within the first paragraph of subsection (2) above to apply, they shall each be jointly and severally liable to pay the council tax in respect of the dwelling and that day.
- (4) Subsection (3) above shall not apply as respects any day on which one or more of the persons there mentioned fall to be disregarded for the purposes of discount by virtue of paragraph 2 of Schedule 1 to this Act (the severely mentally impaired) and one or more of them do not; and liability to pay the council tax in respect of the dwelling and that day shall be determined as follows—
- (a) if only one of those persons does not fall to be so disregarded, he shall be solely liable;
 - (b) if two or more of those persons do not fall to be so disregarded, they shall each be jointly and severally liable.
- (5) In this Part, unless the context otherwise requires—
- “owner”, in relation to any dwelling, means the person as regards whom the following conditions are fulfilled—
 - (a) he has a material interest in the whole or any part of the dwelling; and
 - (b) at least part of the dwelling or, as the case may be, of the part concerned is not subject to a material interest inferior to his interest;
 - “resident”, in relation to any dwelling, means an individual who has attained the age of 18 years and has his sole or main residence in the dwelling.
- (6) In this section—
- “material interest” means a freehold interest or a leasehold interest which was granted for a term of six months or more;
 - “secure tenant” means a tenant under a secure tenancy within the meaning of Part IV of the Housing Act 1985;
 - “statutory tenant” means a statutory tenant within the meaning of the Rent Act 1977 or the Rent (Agriculture) Act 1976.

7 Liability in respect of caravans and boats

- (1) Subsections (2) to (4) below shall have effect in substitution for section 6 above in relation to any chargeable dwelling which consists of a pitch occupied by a caravan, or a mooring occupied by a boat.
- (2) Where on any day the owner of the caravan or boat is not, but some other person is, a resident of the dwelling, that other person shall be liable to pay the council tax in respect of the dwelling and that day.
- (3) Where on any day subsection (2) above does not apply, the owner of the caravan or boat shall be liable to pay the council tax in respect of the dwelling and that day.
- (4) Where on any day two or more persons fall within subsection (2) or (3) above, they shall each be jointly and severally liable to pay the council tax in respect of the dwelling and that day.

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- (5) Subsection (4) of section 6 above shall apply for the purposes of subsection (4) above as it applies for the purposes of subsection (3) of that section.
- (6) In this section “caravan” shall be construed in accordance with Part I of the Caravan Sites and Control of Development Act 1960.
- (7) Any reference in this section to the owner of a caravan or boat shall be construed—
 - (a) in relation to a caravan or boat which is subject to an agreement for hire-purchase or conditional sale, as a reference to the person in possession under the agreement;
 - (b) in relation to a caravan or boat which is subject to a bill of sale or mortgage, as a reference to the person entitled to the property in it apart from the bill or mortgage.

8 Liability in prescribed cases

- (1) Subsections (3) and (4) below shall have effect in substitution for section 6 or (as the case may be) section 7 above in relation to any chargeable dwelling of a class prescribed for the purposes of this subsection.
- (2) Subsections (3) and (4) below shall have effect in substitution for section 6 or (as the case may be) section 7 above in relation to any chargeable dwelling of a class prescribed for the purposes of this subsection, if the billing authority so determines in relation to all dwellings of that class which are situated in its area.
- (3) Where on any day this subsection has effect in relation to a dwelling, the owner of the dwelling shall be liable to pay the council tax in respect of the dwelling and that day.
- (4) Where on any day two or more persons fall within subsection (3) above, they shall each be jointly and severally liable to pay the council tax in respect of the dwelling and that day.
- (5) Subsection (4) of section 6 above shall apply for the purposes of subsection (4) above as it applies for the purposes of subsection (3) of that section.
- (6) Regulations prescribing a class of chargeable dwellings for the purposes of subsection (1) or (2) above may provide that, in relation to any dwelling of that class, subsection (3) above shall have effect as if for the reference to the owner of the dwelling there were substituted a reference to the person falling within such description as may be prescribed.
- (7) Subsections (3) and (4) of section 4 above shall apply for the purposes of subsections (1) and (2) above as they apply for the purposes of subsection (2) of that section.

9 Liability of spouses

- (1) Where—
 - (a) a person who is liable to pay council tax in respect of any chargeable dwelling of which he is a resident and any day is married to another person; and
 - (b) that other person is also a resident of the dwelling on that day but would not, apart from this section, be so liable,
 those persons shall each be jointly and severally liable to pay the council tax in respect of the dwelling and that day.

- (2) Subsection (1) above shall not apply as respects any day on which the other person there mentioned falls to be disregarded for the purposes of discount by virtue of paragraph 2 of Schedule 1 to this Act (the severely mentally impaired).
- (3) For the purposes of this section two persons are married to each other if they are a man and a woman—
 - (a) who are married to each other; or
 - (b) who are not married to each other but are living together as husband and wife.

Amounts of tax payable

10 Basic amounts payable

- (1) Subject to sections 11 to 13 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.

- (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).

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—
 - (a) there is only one resident of the dwelling and he does not fall to be disregarded for the purposes of discount; or
 - (b) 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 section 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—
 - (a) there is no resident of the dwelling; or
 - (b) there are one or more residents of the dwelling and each of them falls to be disregarded for the purposes of discount.

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- (3) In this section and section 12 below “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.

12 Discounts: special provision for Wales

- (1) Where any class of dwellings in Wales is prescribed for the purposes of this section for any financial year, a Welsh billing authority may determine that for the year subsection (2) or (3) below shall have effect in substitution for section 11(2)(a) above in relation to all dwellings of that class which are situated in its area.
- (2) Where this subsection has effect for any year in relation to any class of dwellings, the amount of council tax payable in respect of—
 - (a) any chargeable dwelling of that class; and
 - (b) any day in the year on which there is no resident of the dwelling,
 shall be subject to a discount equal to the appropriate percentage of that amount.
- (3) Where this subsection has effect for any year in relation to any class of dwellings, the amount of council tax payable in respect of—
 - (a) any chargeable dwelling of that class; and
 - (b) any day in the year on which there is no resident of the dwelling,
 shall not be subject to a discount.
- (4) A determination under subsection (1) above for a financial year may be varied or revoked at any time before the year begins.
- (5) Subsections (3) and (4) of section 4 above shall apply for the purposes of subsection (1) above as they apply for the purposes of subsection (2) of that section.
- (6) A billing authority which has made a determination under subsection (1) above shall, before the end of the period of 21 days beginning with the day of doing so, publish a notice of the determination in at least one newspaper circulating in the authority’s area.
- (7) Failure to comply with subsection (6) above does not make the making of the determination invalid.

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.

- (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 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 Social Security Contributions and Benefits Act 1992 and the Social Security Administration Act 1992.

*Administration and appeals***14 Administration, penalties and enforcement**

- (1) Schedule 2 to this Act (which contains provisions about administration, including collection) shall have effect.
- (2) Schedule 3 to this Act (which contains provisions about civil penalties) shall have effect.
- (3) Schedule 4 to this Act (which contains provisions about the recovery of sums due, including sums due as penalties) shall have effect.

15 Valuation tribunals

- (1) Valuation and community charge tribunals established under Schedule 11 to the 1988 Act shall be known as valuation tribunals.
- (2) Such tribunals shall exercise, in addition to the jurisdiction conferred on them by or under the 1988 Act, the jurisdiction conferred on them by—
 - (a) section 16 below;
 - (b) regulations made under section 24 below; and
 - (c) paragraph 3 of Schedule 3 to this Act.

16 Appeals: general

- (1) A person may appeal to a valuation tribunal if he is aggrieved by—
 - (a) any decision of a billing authority that a dwelling is a chargeable dwelling, or that he is liable to pay council tax in respect of such a dwelling; or
 - (b) any calculation made by such an authority of an amount which he is liable to pay to the authority in respect of council tax.
- (2) In subsection (1) above the reference to any calculation of an amount includes a reference to any estimate of the amount.
- (3) Subsection (1) above shall not apply where the grounds on which the person concerned is aggrieved fall within such category or categories as may be prescribed.
- (4) No appeal may be made under subsection (1) above unless—
 - (a) the aggrieved person serves a written notice under this subsection; and
 - (b) one of the conditions mentioned in subsection (7) below is fulfilled.
- (5) A notice under subsection (4) above must be served on the billing authority concerned.
- (6) A notice under subsection (4) above must state the matter by which and the grounds on which the person is aggrieved.
- (7) The conditions are that—
 - (a) the aggrieved person is notified in writing, by the authority on which he served the notice, that the authority believes the grievance is not well founded, but the person is still aggrieved;
 - (b) the aggrieved person is notified in writing, by the authority on which he served the notice, that steps have been taken to deal with the grievance, but the person is still aggrieved;

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- (c) the period of two months, beginning with the date of service of the aggrieved person's notice, has ended without his being notified under paragraph (a) or (b) above.
- (8) Where a notice under subsection (4) above is served on an authority, the authority shall—
- (a) consider the matter to which the notice relates;
 - (b) include in any notification under subsection (7)(a) above the reasons for the belief concerned;
 - (c) include in any notification under subsection (7)(b) above a statement of the steps taken.

Miscellaneous

17 Completion of new dwellings

- (1) Subject to the provisions of this section, Schedule 4A to the 1988 Act (which makes provision with respect to the determination of a day as the completion day in relation to a new building) shall, with the exception of paragraph 6, apply for the purposes of this Part as it applies for the purposes of Part III of that Act.
- (2) Any reference in this section to the Schedule is a reference to Schedule 4A to the 1988 Act as it applies for the purposes of this Part.
- (3) Where—
- (a) a completion notice is served under the Schedule; and
 - (b) the building to which the notice relates is not completed on or before the relevant day,
- any dwelling in which the building or any part of it will be comprised shall be deemed for the purposes of this Part to have come into existence on that day.
- (4) For the purposes of subsection (3) above the relevant day in relation to a completion notice is—
- (a) where an appeal against the notice is brought under paragraph 4 of the Schedule, the day stated in the notice; and
 - (b) where no appeal against the notice is brought under that paragraph, the day determined under the Schedule as the completion day in relation to the building to which the notice relates.
- (5) Where—
- (a) a day is determined under the Schedule as the completion day in relation to a new building; and
 - (b) the building is one produced by the structural alteration of a building which is comprised in one or more existing dwellings,
- the existing dwelling or dwellings shall be deemed for the purposes of this Part to have ceased to exist on that day.
- (6) Any reference in this section or the Schedule to a new building includes a reference to a building produced by the structural alteration of an existing building where—
- (a) the existing building or any part of it is comprised in a dwelling which, by virtue of the alteration, becomes, or becomes part of, a different dwelling or different dwellings; or

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(b) neither the existing building nor any part of it is, except by virtue of the alteration, comprised in any dwelling.

(7) Any reference in this section to a building includes a reference to a part of a building; and any reference in the Schedule to the valuation officer shall be construed as a reference to the listing officer.

18 Death of persons liable

(1) The Secretary of State may make such regulations as he thinks fit to deal with any case where a person dies and at any time before his death—

- (a) he was (or is alleged to have been) liable to pay council tax under section 6, 7 or 8 above;
- (b) he was (or is alleged to have been) so liable, as spouse, under section 9 above; or
- (c) a penalty was imposed on him under paragraph 1 of Schedule 3 to this Act.

(2) Nothing in the following provisions of this section shall prejudice the generality of subsection (1) above.

(3) The regulations may provide that where before his death a sum has become payable by the deceased but has not been paid his executor or administrator shall be liable to pay the sum and may deduct out of the assets and effects of the deceased any payments made (or to be made).

(4) The regulations may provide that where before his death a sum in excess of his liability has been paid (whether the excess arises because of his death or otherwise) and has not been repaid or credited his executor or administrator shall be entitled to the sum.

(5) The regulations may provide for the recovery of any sum which is payable under the regulations and is not paid.

(6) The regulations may provide that proceedings (whether by way of appeal or otherwise) may be instituted, continued or withdrawn by the deceased's executor or administrator.

19 Exclusion of Crown exemption in certain cases

(1) Subsection (2) below applies in the case of a dwelling provided and maintained by an authority mentioned in subsection (3) below for purposes connected with the administration of justice, police purposes or other Crown purposes.

(2) Any rules as to Crown exemption which would have applied apart from this subsection shall not prevent—

- (a) the dwelling being a chargeable dwelling; or
- (b) any person being liable to pay council tax in respect of the dwelling.

(3) The authorities are—

- (a) a billing authority other than the Council of the Isles of Scilly;
- (b) a county council;
- (c) a metropolitan county police authority;
- (d) the Northumbria Police Authority;
- (e) the Receiver for the Metropolitan Police District; and
- (f) a combined police authority as defined in section 144 of the 1988 Act.

- (4) The Secretary of State may by order provide that subsection (2) above shall also apply in relation to any dwelling of a class prescribed by the order.
- (5) Subsections (3) and (4) of section 4 above shall apply for the purposes of subsection (4) above as they apply for the purposes of subsection (2) of that section.

CHAPTER II

VALUATION LISTS

Preliminary

20 Listing officers

- (1) The Commissioners of Inland Revenue shall appoint a listing officer for each billing authority.
- (2) The remuneration of, and any expenses incurred by, listing officers in carrying out their functions (including the remuneration and expenses of persons, whether or not in the service of the Crown, to assist them) shall be paid out of money provided by Parliament.
- (3) Any reference in this Chapter to a listing officer's or the Commissioners' functions is a reference to the functions imposed or conferred on him or them by or under this Chapter.

The lists

21 Valuations for purposes of lists

- (1) The Commissioners of Inland Revenue shall—
 - (a) carry out such valuations of dwellings in England and Wales;
 - (b) furnish listing officers with such information obtained in carrying out the valuations or in the exercise of the powers conferred by section 27 below; and
 - (c) disclose to such officers such contents of particulars delivered documents, as they consider necessary or expedient for the purpose of facilitating the compilation and maintenance by those officers of valuation lists in accordance with this Chapter.
- (2) The valuations shall be carried out by reference to 1st April 1991 and on such assumptions and in accordance with such principles as may be prescribed.
- (3) Without prejudice to the generality of their powers, the Commissioners of Inland Revenue may appoint persons who are not in the service of the Crown to assist them in carrying out the valuations.
- (4) For the purposes of the valuations the Commissioners of Inland Revenue may disclose to a person appointed under subsection (3) above—
 - (a) any survey report obtained for any purpose of rating, including non-domestic rating; and
 - (b) any information obtained in the exercise of the powers conferred by section 27 below.

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- (5) If any person to whom any report or information is disclosed by virtue of subsection (4) above uses or discloses the report or information, in whole or in part, otherwise than for the purposes of the valuations, he shall be liable—
- (a) on conviction on indictment, to imprisonment for a term not exceeding two years or a fine or both; and
 - (b) on summary conviction, to imprisonment for a term not exceeding six months or a fine not exceeding the statutory maximum or both.
- (6) Except as provided by subsection (4) above, nothing in this section permits the disclosure to any person appointed under subsection (3) above of information which is subject to the rules of confidentiality applicable to the Commissioners of Inland Revenue.

22 Compilation and maintenance of lists

- (1) In accordance with this Chapter, the listing officer for a billing authority shall compile, and then maintain, a list for the authority (to be called its valuation list).
- (2) The list must be compiled on 1st April 1993 and shall come into force on that day.
- (3) Before the list is compiled the listing officer must take such steps as are reasonably practicable in the time available to ensure that it is accurately compiled on 1st April 1993.
- (4) Any valuation of a dwelling carried out by the listing officer in pursuance of subsection (3) above shall be carried out in accordance with section 21(2) above.
- (5) At the following times, namely—
- (a) not later than 1st September 1992; and
 - (b) not earlier than 15th November 1992 and not later than 1st December 1992,
- the listing officer shall send to the billing authority a copy of the list which he proposes (on the information then before him) to compile.
- (6) As soon as reasonably practicable after receiving the copy under subsection (5)(b) above the authority shall deposit it at its principal office and take such steps as it thinks most suitable for giving notice of it.
- (7) As soon as reasonably practicable after compiling a list the listing officer shall send a copy of it to the authority.
- (8) As soon as reasonably practicable after receiving the copy under subsection (7) above the authority shall deposit it at its principal office.
- (9) The list must be maintained for so long as is necessary for the purposes of this Part.

23 Contents of lists

- (1) A valuation list must show, for each day for which it is in force, each dwelling which is situated in the billing authority's area.
- (2) For each day on which a dwelling is shown in a list, the list must also show which of the valuation bands is applicable to the dwelling.
- (3) A list must also contain such information about dwellings shown in it as may be prescribed.

- (4) The omission from a list of any matter required to be included in it shall not of itself render the list invalid.
- (5) Any rules as to Crown exemption which would have applied apart from this subsection shall not prevent a list showing a dwelling, showing the valuation band applicable to a dwelling and containing any prescribed information about a dwelling.

24 Alteration of lists

- (1) The Secretary of State may make regulations about the alteration by listing officers of valuation lists which have been compiled under this Chapter; and subsections (2) to (10) below shall apply for the purposes of this subsection.
- (2) The regulations may include provision that where a listing officer intends to alter the list with a view to its being accurately maintained, he shall not alter it unless prescribed conditions (as to notice or otherwise) are fulfilled.
- (3) The regulations may include provision that any valuation of a dwelling carried out in connection with a proposal for the alteration of the list shall be carried out in accordance with section 21(2) above.
- (4) The regulations may include provision that no alteration shall be made of a valuation band shown in the list as applicable to any dwelling unless—
 - (a) since the valuation band was first shown in the list as applicable to the dwelling—
 - (i) there has been a material increase in the value of the dwelling and a relevant transaction has been subsequently carried out in relation to the whole or any part of it;
 - (ii) there has been a material reduction in the value of the dwelling;
 - (iii) the dwelling has become or ceased to be a composite hereditament for the purposes of Part III of the 1988 Act; or
 - (iv) in the case of a dwelling which continues to be such a hereditament, there has been an increase or reduction in its domestic use,and (in any case) prescribed conditions are fulfilled;
 - (b) the listing officer is satisfied that—
 - (i) a different valuation band should have been determined by him as applicable to the dwelling; or
 - (ii) the valuation band shown in the list is not that determined by him as so applicable; or
 - (c) an order of a valuation tribunal or of the High Court requires the alteration to be made.
- (5) The regulations may include provision—
 - (a) as to who (other than a listing officer) may make a proposal for the alteration of the list with a view to its being accurately maintained;
 - (b) as to the manner and circumstances in which a proposal may be made and the information to be included in a proposal;
 - (c) as to the period within which a proposal must be made;
 - (d) as to the procedure for and subsequent to the making of a proposal;
 - (e) as to the circumstances in which and the conditions upon which a proposal may be withdrawn; and

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- (f) requiring the listing officer to inform other prescribed persons of the proposal in a prescribed manner.
- (6) The regulations may include provision that, where there is a disagreement between the listing officer and another person making a proposal for the alteration of a list—
- (a) about the validity of the proposal; or
 - (b) about the accuracy of the list,
- an appeal may be made to a valuation tribunal.
- (7) The regulations may include—
- (a) provision as to the period for which or day from which an alteration of a list is to have effect (including provision that it is to have retrospective effect);
 - (b) provision requiring a list to be altered so as to indicate the effect (retrospective or otherwise) of the alteration;
 - (c) provision requiring the listing officer to inform prescribed persons of an alteration within a prescribed period;
 - (d) provision requiring the listing officer to keep for a prescribed period a record of the state of the list before the alteration was made.
- (8) The regulations may include provision as to financial adjustments to be made as a result of alterations, including—
- (a) provision requiring payments or repayments to be made; and
 - (b) provision as to the recovery (by deduction or otherwise) of sums due.
- (9) The regulations may include provision that where—
- (a) the listing officer for a billing authority has informed the authority of an alteration of the list; and
 - (b) a copy of the list has been deposited by the authority under section 22(8) above,
- the authority must alter the copy accordingly.
- (10) In this section—
- “domestic use”, in relation to a dwelling, means use in such a manner as to constitute it domestic property for the purposes of Part III of the 1988 Act;
 - “material increase”, in relation to the value of a dwelling, means any increase which is caused (in whole or in part) by any building, engineering or other operation carried out in relation to the dwelling, whether or not constituting development for which planning permission is required;
 - “material reduction”, in relation to the value of a dwelling, means any reduction which is caused (in whole or in part) by the demolition of any part of the dwelling, any change in the physical state of the dwelling’s locality or any adaptation of the dwelling to make it suitable for use by a physically disabled person;
 - “relevant transaction” means a transfer on sale of the fee simple, a grant of a lease for a term of seven years or more or a transfer on sale of such a lease.

25 Compilation and maintenance of new lists

- (1) This section applies where the Secretary of State makes an order under subsection (4) (b) of section 5 above providing that, as regards financial years beginning on or after such date as is specified in the order, valuation bands so specified shall be substituted

for those for the time being effective for the purposes of subsection (2) or (3) of that section.

- (2) For the purpose of—
 - (a) requiring listing officers to compile, and then maintain, new valuation lists for those financial years; and
 - (b) facilitating the compilation and maintenance by those officers of those lists, the provisions of this Chapter shall have effect with the modifications mentioned in subsection (3) below.
- (3) The modifications are—
 - (a) for the date specified in section 22(2) and (3) above there shall be substituted the date specified in the order; and
 - (b) for the dates specified in sections 21(2) and 22(5) above there shall be substituted such dates as are specified in an order made by the Secretary of State under this subsection.

Supplemental

26 Powers of entry

- (1) If a valuation officer needs to value a dwelling for the purpose of carrying out any of his functions, he and any servant of the Crown authorised by him in writing may enter on, survey and value the dwelling if subsections (2) and (3) below are fulfilled.
- (2) At least three clear days' notice in writing of the proposed exercise of the power must be given; and there shall be disregarded for this purpose any day which is—
 - (a) a Saturday, a Sunday, Christmas Day or Good Friday; or
 - (b) a day which is a bank holiday under the Banking and Financial Dealings Act 1971 in England and Wales.
- (3) In a case where a person authorised by a valuation officer proposes to exercise the power, that person must if required produce his authority.
- (4) If a person intentionally delays or obstructs a person in the exercise of a power under this section, he shall be liable on summary conviction to a fine not exceeding level 2 on the standard scale.
- (5) In this section and section 27 below “valuation officer” means any listing officer and any other officer of the Commissioners of Inland Revenue who is for the time being appointed by them to carry out any of their functions.

27 Information about properties

- (1) In any case where—
 - (a) a notice is served by a listing officer or the Commissioners of Inland Revenue on a charging or billing authority, a community charges registration officer or any other person prescribed for the purposes of this subsection;
 - (b) the notice requests the supply of information of a description specified in the notice; and

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- (c) the information relates to property and is information which the listing officer or the Commissioners reasonably believe will assist him or them in carrying out any of his or their functions,
- the authority, officer or other person shall supply the information requested, and shall do so in such form and manner and at such time as the listing officer or the Commissioners specify in the notice.
- (2) For the purpose of carrying out any of his functions, a valuation officer may serve on a person who is or has been an owner or occupier of any dwelling a notice—
- (a) requesting him to supply to the officer information which is of a description specified in the notice; and
 - (b) stating that the officer believes the information requested will assist him in carrying out his functions.
- (3) A person on whom a notice is served under subsection (2) above shall supply the information requested if it is in his possession or control, and shall do so in such form and manner as is specified in the notice and within the period of 21 days beginning with the day on which the notice is served.
- (4) If a person on whom a notice has been served under subsection (2) above fails without reasonable excuse to comply with subsection (3) above, he shall be liable on summary conviction to a fine not exceeding level 2 on the standard scale.
- (5) If, in supplying information in purported compliance with subsection (3) above, a person on whom a notice has been served under subsection (2) above—
- (a) makes a statement which he knows to be false in a material particular; or
 - (b) recklessly makes a statement which is false in a material particular,
- he shall be liable on summary conviction to imprisonment for a term not exceeding three months or a fine not exceeding level 3 on the standard scale or both.
- (6) If in the course of the exercise of its functions any information comes to the notice of a charging or billing authority which it considers would assist a listing officer in carrying out any of his functions, it shall be the authority's duty to inform the listing officer.
- (7) In carrying out any of his or their functions, a listing officer or the Commissioners of Inland Revenue may also take into account any other information available to him or them, whatever its source and whether or not obtained under a provision contained in or made under this or any other Act.
- (8) In this section—
- “charging authority” shall be construed in accordance with section 144(1) of the 1988 Act;
 - “community charges registration officer” shall be construed in accordance with section 26 of that Act.

28 Information about lists

- (1) A person may require a listing officer to give him access to such information as will enable him to establish what is the state of a list, or has been its state at any time since it came into force, if—
- (a) the officer is maintaining the list; and
 - (b) the list is in force or has been in force at any time in the preceding five years.

- (2) A person may require a billing authority to give him access to such information as will enable him to establish what is the state of a copy of a list, or has been its state at any time since it was deposited, if—
 - (a) the authority has deposited the copy under section 22(8) above; and
 - (b) the list is in force or has been in force at any time in the preceding five years.
- (3) A person may require a billing authority to give him access to such information as will enable him to establish what is the state of a copy of a proposed list if—
 - (a) the authority has deposited the copy under section 22(6) above; and
 - (b) the list itself is not yet in force.
- (4) A requirement under subsection (1), (2) or (3) above must be complied with at a reasonable time and place and without payment being sought; but the information may be in documentary or other form, as the person or authority of whom the requirement is made thinks fit.
- (5) Where access is given under this section to information in documentary form the person to whom access is given may—
 - (a) make copies of (or of extracts from) the document;
 - (b) require a person having custody of the document to supply to him a photographic copy of (or of extracts from) the document.
- (6) Where access is given under this section to information in a form which is not documentary the person to whom access is given may—
 - (a) make transcripts of (or of extracts from) the information;
 - (b) require a person having control of access to the information to supply to him a copy in documentary form of (or of extracts from) the information.
- (7) If a reasonable charge is required for a facility under subsection (5) or (6) above, the subsection concerned shall not apply unless the person seeking to avail himself of the facility pays the charge.
- (8) If without reasonable excuse a person having custody of a document containing, or having control of access to, information access to which is sought under this section—
 - (a) intentionally obstructs a person in exercising a right under subsection (1), (2), (3), (5)(a) or (6)(a) above; or
 - (b) refuses to comply with a requirement under subsection (5)(b) or (6)(b) above, he shall be liable on summary conviction to a fine not exceeding level 2 on the standard scale.

29 Information about proposals and appeals

- (1) A person may, at a reasonable time and without making payment, inspect any proposal made or notice of appeal given under regulations made under section 24 above, if made or given as regards a list which is in force when inspection is sought or has been in force at any time in the preceding five years.
- (2) A person may—
 - (a) make copies of (or of extracts from) a document mentioned in subsection (1) above; or
 - (b) require a person having custody of such a document to supply to him a photographic copy of (or of extracts from) the document.

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- (3) If a reasonable charge is required for a facility under subsection (2) above, that subsection shall not apply unless the person seeking to avail himself of the facility pays the charge.
- (4) If without reasonable excuse a person having custody of a document mentioned in subsection (1) above—
- (a) intentionally obstructs a person in exercising a right under subsection (1) or (2)(a) above; or
 - (b) refuses to supply a copy to a person entitled to it under subsection (2)(b) above,
- he shall be liable on summary conviction to a fine not exceeding level 2 on the standard scale.

CHAPTER III

SETTING OF COUNCIL TAX

Setting of amounts

30 Amounts for different categories of dwellings

- (1) For each financial year and each category of dwellings in its area, a billing authority shall, in accordance with subsection (2) below, set an amount of council tax.
- (2) An amount so set shall be calculated by taking the aggregate of—
- (a) the amount which, in relation to the year and the category of dwellings, has been calculated (or last calculated) by the authority in accordance with sections 32 to 36 below; and
 - (b) any amounts which, in relation to the year and the category of dwellings, have been calculated in accordance with sections 43 to 47 below and have been stated (or last stated) in accordance with section 40 below in precepts issued to the authority by major precepting authorities.
- (3) Where the aggregate amount given by subsection (2) above is a negative amount, the amount set shall be nil.
- (4) Dwellings fall within different categories for the purposes of subsections (1) and (2) above according as different calculations have been made in relation to them in accordance with sections 32 to 36 below or sections 43 to 47 below or both.
- (5) A billing authority shall assume for the purposes of subsections (1) and (2) above that each of the valuation bands is shown in its valuation list as applicable to one or more dwellings situated in its area or (as the case may be) each part of its area as respects which different calculations have been so made.
- (6) Any amount must be set before 11th March in the financial year preceding that for which it is set, but is not invalid merely because it is set on or after that date.
- (7) No amount may be set before the earlier of the following—
- (a) 1st March in the financial year preceding that for which the amount is set;

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- (b) the date of the issue to the authority of the last precept capable of being issued to it (otherwise than by way of substitute) by a major precepting authority for the financial year for which the amount is set.
- (8) No amount may be set unless the authority has made in relation to the year the calculations required by this Chapter.
- (9) A purported setting of an amount, if done in contravention of subsection (7) or (8) above, shall be treated as not having occurred.

31 Substituted amounts

- (1) Where a billing authority has set amounts for a financial year under section 30 above and at any later time—
 - (a) it makes substitute calculations under section 37 or 60 below; or
 - (b) it is issued with a precept for the year (originally or by way of substitute) by a major precepting authority,it shall as soon as reasonably practicable after that time set amounts in substitution so as to give effect to those calculations or that precept.
- (2) Any amount set in substitution under subsection (1) above must be set in accordance with section 30 above, but subsection (6) of that section shall be ignored for this purpose.
- (3) Where a billing authority sets any amount in substitution under subsection (1) above (a new amount), anything paid to it by reference to the amount for which it is substituted (the old amount) shall be treated as paid by reference to the new amount.
- (4) If the old amount exceeds the new amount, the following shall apply as regards anything paid if it would not have been paid had the old amount been the same as the new amount—
 - (a) it shall be repaid if the person by whom it was paid so requires;
 - (b) in any other case it shall (as the billing authority determines) either be repaid or be credited against any subsequent liability of the person to pay in respect of any council tax set by the authority in accordance with section 30 above.
- (5) Where an authority sets amounts in substitution under subsection (1)(b) above, it may recover from the major precepting authority administrative expenses incurred by it in, or in consequence of, so doing.

The requisite calculations

32 Calculation of budget requirement

- (1) In relation to each financial year a billing authority shall make the calculations required by this section.
- (2) The authority must calculate the aggregate of—
 - (a) the expenditure which the authority estimates it will incur in the year in performing its functions and will charge to a revenue account for the year;
 - (b) such allowance as the authority estimates will be appropriate for contingencies in relation to expenditure to be charged to a revenue account for the year;

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- (c) the financial reserves which the authority estimates it will be appropriate to raise in the year for meeting its estimated future expenditure;
 - (d) such financial reserves as are sufficient to meet so much of the amount estimated by the authority to be a revenue account deficit for any earlier financial year as has not already been provided for; and
 - (e) any amounts which it estimates will be transferred from its general fund to its collection fund pursuant to a direction under section 98(5) of the 1988 Act and charged to a revenue account for the year.
- (3) The authority must calculate the aggregate of—
- (a) the sums which it estimates will be payable for the year into its general fund and in respect of which amounts will be credited to a revenue account for the year, other than sums which it estimates will be so payable in respect of redistributed non-domestic rates, revenue support grant or additional grant;
 - (b) any amounts which it estimates will be transferred from its collection fund to its general fund pursuant to a direction under section 98(4) of the 1988 Act and credited to a revenue account for the year; and
 - (c) the amount of the financial reserves which the authority estimates that it will use in order to provide for the items mentioned in paragraphs (a), (b) and (e) of subsection (2) above.
- (4) If the aggregate calculated under subsection (2) above exceeds that calculated under subsection (3) above, the authority must calculate the amount equal to the difference; and the amount so calculated shall be its budget requirement for the year.
- (5) In making the calculation under subsection (2) above the authority must ignore—
- (a) payments which must be met from its collection fund under section 90(2) of the 1988 Act or from a trust fund; and
 - (b) subject to subsection (2)(e) above, sums which have been or are to be transferred from its general fund to its collection fund.
- (6) In estimating under subsection (2)(a) above the authority shall take into account—
- (a) the amount of any precept issued to it for the year by a local precepting authority; and
 - (b) the amount of any levy or special levy issued to it for the year;
- but (except as provided by regulations under section 41 below or regulations under section 74 or 75 of the 1988 Act) shall not anticipate a precept, levy or special levy not issued.
- (7) For the purposes of subsection (2)(c) above an authority's estimated future expenditure is—
- (a) that which the authority estimates it will incur in the financial year following the year in question, will charge to a revenue account for the year and will have to defray in the year before the following sums are sufficiently available, namely—
 - (i) sums which will be payable for the year into its general fund and in respect of which amounts will be credited to a revenue account for the year; and
 - (ii) sums which will be transferred as regards the year from its collection fund to its general fund; and
 - (b) that which the authority estimates it will incur in the financial year referred to in paragraph (a) above or any subsequent financial year in performing its

functions and which will be charged to a revenue account for that or any other year.

- (8) In making the calculation under subsection (3) above the authority must ignore, subject to paragraph (b) of that subsection, sums which have been or are to be transferred from its collection fund to its general fund.
- (9) The Secretary of State may by regulations do one or both of the following—
 - (a) alter the constituents of any calculation to be made under subsection (2) or (3) above (whether by adding, deleting or amending items);
 - (b) alter the rules governing the making of any calculation under subsection (2) or (3) above (whether by deleting or amending subsections (5) to (8) above, or any of them, or by adding other provisions, or by a combination of those methods).
- (10) Calculations to be made in relation to a particular financial year under this section must be made before 11th March in the preceding financial year, but they are not invalid merely because they are made on or after that date.
- (11) References in this section to expenditure incurred by an authority shall be construed in accordance with section 41(3) of the Local Government and Housing Act 1989.

33 Calculation of basic amount of tax

- (1) In relation to each financial year a billing authority shall calculate the basic amount of its council tax by applying the formula—

$$\frac{\mathbf{R} - \mathbf{P}}{\mathbf{T}}$$

where—

R is the amount calculated (or last calculated) by the authority under section 32(4) above as its budget requirement for the year;

P is the aggregate of the sums which the authority estimates will be payable for the year into its general fund in respect of redistributed non-domestic rates, revenue support grant or additional grant;

T is the amount which is calculated by the authority as its council tax base for the year and, where one or more major precepting authorities have power to issue precepts to it, is notified by it to those authorities (“the major precepting authorities concerned”) within the prescribed period.

- (2) Where the aggregate calculated (or last calculated) by the authority for the year under subsection (2) of section 32 above does not exceed that so calculated under subsection (3) of that section, the amount for item R in subsection (1) above shall be nil.
- (3) The aggregate of the sums mentioned in item P in subsection (1) above shall be—
 - (a) increased by the amount of any sum which the authority estimates will be transferred in the year from its collection fund to its general fund in accordance with subsection (3) of section 97 of the 1988 Act; or
 - (b) reduced by the amount of any sum which the authority estimates will be transferred in the year from its general fund to its collection fund in accordance with subsection (4) of that section.

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- (4) Regulations under section 32(9) above may make such consequential alterations of the constituents of any calculation required by item P in subsection (1) above or subsection (3) above (whether by adding, deleting or amending items) as appear to the Secretary of State to be necessary or expedient.
- (5) The Secretary of State shall make regulations containing rules for making for any year the calculation required by item T in subsection (1) above; and a billing authority shall make the calculation for any year in accordance with the rules for the time being effective (as regards the year) under the regulations.
- (6) Regulations prescribing a period for the purposes of item T in subsection (1) above may provide that, in any case where a billing authority fails to notify its calculation to the major precepting authorities concerned within that period, that item shall be determined in the prescribed manner by such authority or authorities as may be prescribed.

34 Additional calculations where special items relate to part only of area

- (1) This section applies where for any financial year an item mentioned in section 35(1) below relates to a part only of a billing authority's area; and in this section "special item" means any such item which so relates and "the relevant part", in relation to such an item, means the part concerned.
- (2) The authority shall calculate the basic amount of its council tax for dwellings in a part of its area to which no special item relates by applying the formula—

$$B - \frac{A}{T}$$

where—

B is the amount calculated (or last calculated) by the authority under section 33(1) above as the basic amount of its council tax;

A is the aggregate amount of all special items;

T is the amount determined for item T in section 33(1) above.

- (3) The authority shall calculate the basic amount of its council tax for dwellings in a part of its area to which one or more special items relate by adding to the amount given by the formula in subsection (2) above the aggregate of the amounts which, in relation to each of those special items, are given by the formula—

$$\frac{S}{TP}$$

where—

S is (in each case) the amount of the special item;

TP is (in each case) the amount of the authority's council tax base for the relevant part as calculated by it for the year.

- (4) The Secretary of State shall make regulations containing rules for making for any year any calculation required by item TP in subsection (3) above; and a billing authority shall make the calculation for any year in accordance with the rules for the time being effective (as regards the year) under the regulations.

35 Special items for purposes of section 34

- (1) The items referred to in section 34(1) above are—
 - (a) any precept issued to or anticipated by the authority which is or is believed to be applicable to a part of its area and was taken into account by it in making the calculation (or last calculation) in relation to the year under section 32(2) above; and
 - (b) any expenses of the authority which are its special expenses and were taken into account by it in making that calculation.
- (2) For the purposes of subsection (1) above—
 - (a) provided a resolution of a billing authority to the following effect is in force, the expenses of meeting a levy or special levy issued to or anticipated by it are its special expenses or (if the resolution relates to some only of those expenses) those to which the resolution relates are its special expenses;
 - (b) any expenses which a billing authority believes will have to be met out of amounts transferred or to be transferred from its collection fund to its general fund, and which arise out of its possession of property held in trust for a part of its area, are its special expenses;
 - (c) any expenses which a billing authority believes will have to be met out of amounts transferred or to be transferred from its collection fund to its general fund, and which relate to a part of its area, are its special expenses provided that expenses of the same kind which relate to another part of its area are to be met out of property held in trust for that part;
 - (d) any expenses incurred by a billing authority in performing in a part of its area a function performed elsewhere in its area by the sub-treasurer of the Inner Temple, the under-treasurer of the Middle Temple, a parish or community council or the chairman of a parish meeting are the authority's special expenses unless a resolution of the authority to the contrary effect is in force; and
 - (e) provided a resolution of a billing authority to the following effect is in force, the expenses incurred by it in performing in a part of its area a function performed elsewhere in its area by a body with power to issue a levy or special levy to it are its special expenses or (if the resolution relates to some only of those expenses) those to which the resolution relates are its special expenses.
- (3) The following rules shall apply to the making of a resolution under subsection (2)(e) above by a billing authority—
 - (a) no such resolution may be made unless the body mentioned in subsection (2)(e) above is one in relation to which the billing authority has made under subsection (2)(a) above a resolution which is in force;
 - (b) the resolution under subsection (2)(e) above may not be made so as to be in force at any time when that under subsection (2)(a) above is not in force;
 - (c) the fact that the resolution under subsection (2)(a) above relates to all the expenses concerned does not mean that the resolution under subsection (2)(e) above must relate to all the expenses concerned; and
 - (d) the fact that the resolution under subsection (2)(a) above relates to part of the expenses concerned does not mean that the resolution under subsection (2)(e) above must relate to part, or any particular part, of the expenses concerned.

36 Calculation of tax for different valuation bands

- (1) The amount to be taken into account under section 30(2)(a) above for any financial year in respect of a category of dwellings listed in a particular valuation band shall be calculated by applying the formula—

$$A \times \frac{N}{D}$$

where—

A is the amount calculated (or last calculated) by the billing authority for that year under section 33(1) above or, where section 34 above applies, the amount calculated (or last calculated) by it for that year under subsection (2) or (3) of that section in relation to that category of dwellings;

N is the number which, in the proportion set out in section 5(1) above, is applicable to dwellings listed in that valuation band;

D is the number which, in that proportion, is applicable to dwellings listed in valuation band D.

- (2) Dwellings fall within different categories for the purposes of this section according as different calculations have been made in relation to them under section 34 above.

37 Substitute calculations

- (1) An authority which has made calculations in accordance with sections 32 to 36 above in relation to a financial year (originally or by way of substitute) may make calculations in substitution in relation to the year in accordance with those sections, ignoring section 32(10) above for this purpose.
- (2) None of the substitute calculations shall have any effect if—
- (a) the amount calculated under section 32(4) above, or any amount calculated under section 33(1) or 34(2) or (3) above as the basic amount of council tax applicable to any dwelling, would exceed that so calculated in the previous calculations; or
 - (b) the billing authority fails to comply with subsection (3) below in making the substitute calculations.
- (3) In making substitute calculations under section 33(1) or 34(3) above, the billing authority must use any amount determined in the previous calculations for item P or T in section 33(1) above or item TP in section 34(3) above.
- (4) For the purposes of subsection (2)(a) above, one negative amount shall be taken to exceed another if it is closer to nil (so that minus £1 shall be taken to exceed minus £2).
- (5) For the purposes of subsection (3) above, the billing authority may treat any amount determined in the previous calculations for item P in section 33(1) above as increased by the amount of any sum which—
- (a) it estimates will be payable for the year into its general fund in respect of additional grant; and
 - (b) was not taken into account by it in making those calculations.
- (6) Subsections (2) and (3) above shall not apply if the previous calculations have been quashed because of a failure to comply with sections 32 to 36 above in making the calculations.

Supplemental

38 Information for purposes of Chapter III

- (1) If the Secretary of State so requires by regulations, a precepting authority shall supply prescribed information within a prescribed period to any billing authority to which it has power to issue a precept.
- (2) A billing authority which has set amounts in accordance with section 30 above (originally or by way of substitute) shall, before the end of the period of 21 days beginning with the day of doing so, publish a notice of the amounts in at least one newspaper circulating in the authority's area.
- (3) Failure to comply with subsection (2) above does not make the setting of amounts invalid.

CHAPTER IV

PRECEPTS

Preliminary

39 Precepting and precepted authorities

- (1) Each of the following is a major precepting authority for the purposes of this Part, namely—
 - (a) a county council;
 - (b) a metropolitan county police authority;
 - (c) the Northumbria Police Authority;
 - (d) a metropolitan county fire and civil defence authority;
 - (e) the London Fire and Civil Defence Authority; and
 - (f) the Receiver for the Metropolitan Police District.
- (2) Each of the following is a local precepting authority for the purposes of this Part, namely—
 - (a) the sub-treasurer of the Inner Temple;
 - (b) the under-treasurer of the Middle Temple;
 - (c) a parish or community council;
 - (d) the chairman of a parish meeting; and
 - (e) charter trustees.
- (3) A precept may only be issued to an appropriate billing authority.
- (4) If the whole or part of a billing authority's area falls within a precepting authority's area, it is an appropriate billing authority in relation to the precepting authority to the extent of the area which so falls.

Issue of precepts

40 Issue of precepts by major precepting authorities

- (1) For each financial year a major precepting authority shall issue a precept or precepts in accordance with this section.
- (2) A precept issued to a billing authority under this section must state—
 - (a) the amount which, in relation to the year and each category of dwellings in the billing authority's area, has been calculated (or last calculated) by the precepting authority in accordance with sections 43 to 47 below; and
 - (b) the amount which has been calculated (or last calculated) by the precepting authority in accordance with section 48 below as the amount payable by the billing authority for the year.
- (3) Dwellings fall within different categories for the purposes of subsection (2) above according as different calculations have been made in relation to them in accordance with sections 43 to 47 below.
- (4) A major precepting authority shall assume for the purposes of subsection (2) above that each of the valuation bands is shown in the billing authority's valuation list as applicable to one or more dwellings situated in its area or (as the case may be) each part of its area as respects which different calculations have been so made.
- (5) A precept under this section must be issued before 1st March in the financial year preceding that for which it is issued, but is not invalid merely because it is issued on or after that date.
- (6) No such precept may be issued to a billing authority before the earlier of the following—
 - (a) the earliest date on which, for the financial year for which the precept is issued, each of the periods prescribed for the purposes of item T in section 33(1) above, item T in section 44(1) below and item TP in section 45(3) below has expired;
 - (b) the earliest date on which, for that year, each billing authority has notified its calculations for the purposes of those items to the precepting authority.
- (7) No such precept may be issued unless the precepting authority has made in relation to the year the calculations required by this Chapter.
- (8) A purported issue of such a precept, if done in contravention of subsection (6) or (7) above, shall be treated as not having occurred.

41 Issue of precepts by local precepting authorities

- (1) For each financial year a local precepting authority may issue a precept in accordance with this section.
- (2) A precept issued to a billing authority under this section must state, as the amount payable by that authority for the year, the amount which has been calculated (or last calculated) by the precepting authority under section 50 below as its budget requirement for the year.
- (3) The Secretary of State may by regulations make provision that a billing authority making calculations in accordance with section 32 above (originally or by way of

substitute) may anticipate a precept under this section; and the regulations may include provision as to—

- (a) the amounts which may be anticipated by billing authorities in pursuance of the regulations;
 - (b) the sums (if any) to be paid by such authorities in respect of amounts anticipated by them; and
 - (c) the sums (if any) to be paid by such authorities in respect of amounts not anticipated by them.
- (4) A precept under this section must be issued before 1st March in the financial year preceding that for which it is issued, but is not invalid merely because it is issued on or after that date.

42 Substituted precepts

- (1) Where—
- (a) a precepting authority has issued a precept or precepts for a financial year (originally or by way of substitute); and
 - (b) at any later time it makes substitute calculations under section 49 or 61 or (as the case may be) section 51 below,
- it shall as soon as reasonably practicable after that time issue a precept or precepts in substitution so as to give effect to those calculations.
- (2) Any precept issued in substitution under subsection (1) above must be issued in accordance with section 40 or (as the case may be) section 41 above, but subsection (5) of section 40 and subsection (4) of section 41 shall be ignored for this purpose.
- (3) Where a precepting authority issues a precept in substitution (a new precept) anything paid to it by reference to the precept for which it is substituted (the old precept) shall be treated as paid by reference to the new precept.
- (4) If the amount stated in the old precept exceeds that of the new precept, the following shall apply as regards anything paid if it would not have been paid had the amount of the old precept been the same as that of the new precept—
- (a) it shall be repaid if the billing authority by whom it was paid so requires;
 - (b) in any other case it shall (as the precepting authority determines) either be repaid or be credited against any subsequent liability of the billing authority in respect of any precept of the precepting authority.
- (5) Any reference in subsection (4) above to the amount stated in a precept shall be construed, in relation to a precept issued by a major precepting authority, as a reference to the amount stated in the precept in accordance with section 40(2)(b) above.

Calculations by major precepting authorities

43 Calculation of budget requirement

- (1) In relation to each financial year a major precepting authority shall make the calculations required by this section.
- (2) The authority must calculate the aggregate of—

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- (a) the expenditure the authority estimates it will incur in the year in performing its functions and will charge to a revenue account for the year, other than expenditure which it estimates will be so incurred in pursuance of regulations under section 99(3) of the 1988 Act;
 - (b) such allowance as the authority estimates will be appropriate for contingencies in relation to expenditure to be charged to a revenue account for the year;
 - (c) the financial reserves which the authority estimates it will be appropriate to raise in the year for meeting its estimated future expenditure; and
 - (d) such financial reserves as are sufficient to meet so much of the amount estimated by the authority to be a revenue account deficit for any earlier financial year as has not already been provided for.
- (3) The authority must calculate the aggregate of—
- (a) the sums which it estimates will be payable to it for the year and in respect of which amounts will be credited to a revenue account for the year, other than sums which it estimates will be so payable in respect of redistributed non-domestic rates, revenue support grant or additional grant or any precept issued by it, or in pursuance of regulations under section 99(3) of the 1988 Act; and
 - (b) the amount of the financial reserves which the authority estimates that it will use in order to provide for the items mentioned in paragraphs (a) and (b) of subsection (2) above.
- (4) If the aggregate calculated under subsection (2) above exceeds that calculated under subsection (3) above, the authority must calculate the amount equal to the difference; and the amount so calculated shall be its budget requirement for the year.
- (5) In estimating under subsection (2)(a) above an authority which is a county council shall take into account the amount of any levy issued to it for the year but (except as provided by regulations under section 74 of the 1988 Act) shall not anticipate a levy not issued.
- (6) For the purposes of subsection (2)(c) above an authority's estimated future expenditure is—
- (a) that which the authority estimates it will incur in the financial year following the year in question, will charge to a revenue account for the year and will have to defray in the year before the following sums are sufficiently available, namely, sums—
 - (i) which will be payable to it for the year; and
 - (ii) in respect of which amounts will be credited to a revenue account for the year; and
 - (b) that which the authority estimates it will incur in the financial year referred to in paragraph (a) above or any subsequent financial year in performing its functions and which will be charged to a revenue account for that or any other year.
- (7) The Secretary of State may by regulations do one or both of the following—
- (a) alter the constituents of any calculation to be made under subsection (2) or (3) above (whether by adding, deleting or amending items);
 - (b) alter the rules governing the making of any calculation under subsection (2) or (3) above (whether by deleting or amending subsections (5) and (6) above, or either of them, or by adding other provisions, or by a combination of those methods).

- (8) References in this section to expenditure incurred by an authority shall be construed in accordance with section 41(3) of the Local Government and Housing Act 1989.

44 Calculation of basic amount of tax

- (1) In relation to each financial year a major precepting authority shall calculate the basic amount of its council tax by applying the formula—

$$\frac{\mathbf{R} - \mathbf{P}}{\mathbf{T}}$$

where—

R is the amount calculated (or last calculated) by the authority under section 43(4) above as its budget requirement for the year;

P is the aggregate of the sums which the authority estimates will be payable to it for the year in respect of redistributed non-domestic rates, revenue support grant or additional grant;

T is the aggregate of the amounts which are calculated by the billing authorities to which the authority issues precepts (“the billing authorities concerned”) as their council tax bases for the year for their areas, or (as the case may require) for the parts of their areas falling within the authority’s area, and are notified by them to the authority within the prescribed period.

- (2) Where the aggregate calculated (or last calculated) by the authority for the year under subsection (2) of section 43 above does not exceed that so calculated under subsection (3) of that section, the amount for item R in subsection (1) above shall be nil.
- (3) The aggregate of the sums mentioned in item P in subsection (1) above shall be—
- increased by the aggregate amount of any sums which the authority estimates will be paid to it in the year by billing authorities in accordance with regulations under section 99(3) of the 1988 Act; and
 - reduced by the aggregate amount of any sums which the authority estimates will be paid by it in the year to billing authorities in accordance with such regulations.
- (4) Regulations under section 43(7) above may make such consequential alterations of the constituents of any calculation required by item P in subsection (1) above or subsection (3) above (whether by adding, deleting or amending items) as appear to the Secretary of State to be necessary or expedient.
- (5) The Secretary of State shall make regulations containing rules for making for any year the calculations required by item T in subsection (1) above; and the billing authorities concerned shall make the calculations for any year in accordance with the rules for the time being effective (as regards the year) under the regulations.
- (6) Regulations prescribing a period for the purposes of item T in subsection (1) above may provide that, in any case where a billing authority fails to notify its calculation to the precepting authority within that period, that item shall be determined in the prescribed manner by such authority or authorities as may be prescribed.
- (7) Any negative amount given by a calculation under subsection (1) above shall be assumed to be nil for the purposes of this Chapter.

45 Additional calculations where special items relate to part only of area

- (1) This section applies where for any financial year an item mentioned in section 46(1) below relates to a part only of a major precepting authority's area; and in this section "special item" means any such item which so relates and "the relevant part", in relation to such an item, means the part concerned.
- (2) The authority shall calculate the basic amount of its council tax for dwellings in a part of its area to which no special item relates by applying the formula—

$$B - \frac{A}{T}$$

where—

B is the amount calculated (or last calculated) by the authority under section 44(1) above as the basic amount of its council tax;

A is the aggregate amount of all special items;

T is the amount determined for item T in section 44(1) above.

- (3) The authority shall calculate the basic amount of its council tax for dwellings in a part of its area to which one or more special items relate by adding to the amount given by the formula in subsection (2) above the aggregate of the amounts which, in relation to each of those special items, are given by the formula—

$$\frac{S}{TP}$$

where—

S is (in each case) the amount of the special item;

TP is (in each case) the aggregate of the amounts which are calculated by the billing authorities to which the authority has power to issue precepts as respects the special item ("the billing authorities concerned") as their council tax bases for the year for their areas, or (as the case may require) for the parts of their areas falling within the relevant part, and are notified by them to the authority within the prescribed period.

- (4) The Secretary of State shall make regulations containing rules for making for any year the calculations required by item TP in subsection (3) above; and the billing authorities concerned shall make the calculations for any year in accordance with the rules for the time being effective (as regards the year) under the regulations.
- (5) Regulations prescribing a period for the purposes of item TP in subsection (3) above may provide that, in any case where a billing authority fails to notify its calculation to the precepting authority within that period, that item shall be determined in the prescribed manner by such authority or authorities as may be prescribed.
- (6) Any negative amount given by a calculation under subsection (2) or (3) above shall be assumed to be nil for the purposes of this Chapter.

46 Special items for purposes of section 45

- (1) The items referred to in section 45(1) above are any expenses of the major precepting authority which are its special expenses and were taken into account by it in making the calculation in relation to the year under section 43(2) above.

- (2) For the purposes of subsection (1) above—
- (a) if a county council is the police authority for part only of its area, its expenses as police authority are special expenses provided a resolution of the council to that effect is in force;
 - (b) provided a resolution of a county council to the following effect is in force, the expenses of meeting a levy issued to or anticipated by it are its special expenses or (if the resolution relates to some only of those expenses) those to which the resolution relates are its special expenses;
 - (c) if the library area of a Welsh county council consists of part of its administrative area, its expenses in exercising its functions as library authority in its library area are its special expenses; and
 - (d) the expenses of the Receiver for the Metropolitan Police District relating to the magistrates' courts in the inner London area and the probation service in that area are his special expenses.
- (3) For the purposes of section 45(1) above—
- (a) expenses which are special by virtue of a resolution under subsection (2)(a) above relate to the part of the council's area for which it is the police authority;
 - (b) expenses which are special by virtue of a resolution under subsection (2)(b) above relate to the part of the council's area in which the levying body carries out functions;
 - (c) expenses which are special by virtue of subsection (2)(c) above relate to the part of the council's administrative area which consists of its library area; and
 - (d) expenses which are special by virtue of subsection (2)(d) above relate to the inner London area.
- (4) In this section—
- “inner London area” has the same meaning as in the Justices of the Peace Act 1979;
- “library area” shall be construed in accordance with the Public Libraries and Museums Act 1964;
- and any reference to magistrates' courts in the inner London area includes references to domestic courts and to youth courts for that area and the City.

47 Calculation of tax for different valuation bands

- (1) The amount to be stated under section 40(2)(a) above for any financial year in respect of any category of dwellings listed in a particular valuation band shall be calculated by applying the formula—

$$A \times \frac{N}{D}$$

where—

A is the amount calculated (or last calculated) by the major precepting authority for that year under section 44(1) above or, where section 45 above applies, the amount calculated (or last calculated) by it for that year under subsection (2) or (3) of that section in relation to that category of dwellings;

N is the number which, in the proportion set out in section 5(1) above, is applicable to dwellings listed in that valuation band;

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D is the number which, in that proportion, is applicable to dwellings listed in valuation band D.

- (2) Dwellings fall within different categories for the purposes of this section according as different calculations have been made in relation to them under section 45 above.

48 Calculation of amount payable by each billing authority

- (1) This section makes provision for calculating the amount required by section 40(2)(b) above to be stated in a precept as the amount payable by a billing authority for any financial year.
- (2) Where an amount calculated (or last calculated) for the year under section 44(1) or 45(2) or (3) above applies to dwellings in the whole of the billing authority's area, the amount payable by that authority shall be calculated by applying the formula—

$$C \times T$$

where—

C is the amount so calculated;

T is the amount which, in relation to the billing authority, is determined for item T in section 33(1) above.

- (3) Where an amount calculated (or last calculated) for the year under section 44(1) or 45(2) or (3) above applies to dwellings in a part of the billing authority's area, the amount payable by that authority shall be calculated by applying the formula—

$$CP \times TP$$

where—

CP is the amount so calculated;

TP is the amount which is calculated by the billing authority as its council tax base for the year for the part of its area concerned and is notified by it to the major precepting authority within the prescribed period.

- (4) Where different amounts calculated (or last calculated) for the year under section 45(2) or (3) above apply to dwellings in different parts of the billing authority's area, the amount payable by that authority shall be the aggregate of the amounts which, in relation to each of the amounts so calculated, are given by the formula—

$$CP \times TP$$

where—

CP is (in each case) the amount so calculated;

TP is (in each case) the amount which is calculated by the billing authority as its council tax base for the year for the part of its area concerned and is notified by it to the major precepting authority within the prescribed period.

- (5) The Secretary of State shall make regulations containing rules for making for any year the calculations required by item TP in subsection (3) or (4) above; and the billing authority shall make the calculations for any year in accordance with the rules for the time being effective (as regards the year) under the regulations.

- (6) Regulations prescribing a period for the purposes of item TP in subsection (3) or (4) above may provide that, in any case where the billing authority fails to notify its

calculation to the precepting authority within that period, that item shall be determined in the prescribed manner by such authority or authorities as may be prescribed.

49 Substitute calculations

- (1) A major precepting authority which has made calculations in accordance with sections 43 to 48 above in relation to a financial year (originally or by way of substitute) may make calculations in substitution in relation to the year in accordance with those sections.
- (2) None of the substitute calculations shall have any effect if—
 - (a) the amount calculated under section 43(4) above, or any amount calculated under section 44(1) or 45(2) or (3) above as the basic amount of council tax applicable to any dwelling, would exceed that so calculated in the previous calculations; or
 - (b) the authority fails to comply with subsection (3) below in making the substitute calculations.
- (3) In making substitute calculations under section 44(1) or 45(3) above, the authority must use any amount determined in the previous calculations for item P or T in section 44(1) above or item TP in section 45(3) above.
- (4) For the purposes of subsection (3) above, the authority may treat any amount determined in the previous calculations for item P in section 44(1) above as increased by the amount of any sum which—
 - (a) it estimates will be payable to it for the year in respect of additional grant; and
 - (b) was not taken into account by it in making those calculations.
- (5) Subsections (2) and (3) above shall not apply if the previous calculations have been quashed because of a failure to comply with sections 43 to 48 above in making the calculations.

Calculations by local precepting authorities

50 Calculation of budget requirement

- (1) In relation to each financial year a local precepting authority shall make the calculations required by this section.
- (2) The authority must calculate the aggregate of—
 - (a) the expenditure the authority estimates it will incur in the year in performing its functions and will charge to a revenue account for the year;
 - (b) such allowance as the authority estimates will be appropriate for contingencies in relation to expenditure to be charged to a revenue account for the year;
 - (c) the financial reserves which the authority estimates it will be appropriate to raise in the year for meeting its estimated future expenditure; and
 - (d) such financial reserves as are sufficient to meet so much of the amount estimated by the authority to be a revenue account deficit for any earlier financial year as has not already been provided for.
- (3) The authority must calculate the aggregate of—

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- (a) the sums which it estimates will be payable to it for the year and in respect of which amounts will be credited to a revenue account for the year, other than sums which it estimates will be so payable in respect of any precept issued by it; and
 - (b) the amount of the financial reserves which the authority estimates that it will use in order to provide for the items mentioned in paragraphs (a) and (b) of subsection (2) above.
- (4) If the aggregate calculated under subsection (2) above exceeds that calculated under subsection (3) above, the authority must calculate the amount equal to the difference; and the amount so calculated shall be its budget requirement for the year.
- (5) For the purposes of subsection (2)(c) above an authority's estimated future expenditure is—
- (a) that which the authority estimates it will incur in the financial year following the year in question, will charge to a revenue account for the year and will have to defray in the year before the following sums are sufficiently available, namely, sums—
 - (i) which will be payable to it for the year; and
 - (ii) in respect of which amounts will be credited to a revenue account for the year; and
 - (b) that which the authority estimates it will incur in the financial year referred to in paragraph (a) above or any subsequent financial year in performing its functions and which will be charged to a revenue account for that or any other year.
- (6) References in this section to expenditure incurred by an authority shall be construed in accordance with section 41(3) of the Local Government and Housing Act 1989.

51 Substitute calculations

- (1) A local precepting authority which has made calculations in accordance with section 50 above in relation to a financial year (originally or by way of substitute) may make calculations in substitution in relation to the year in accordance with that section.
- (2) None of the substitute calculations shall have any effect if the amount calculated under section 50(4) above would exceed that so calculated in the previous calculations.
- (3) Subsection (2) above shall not apply if the previous calculation under subsection (4) of section 50 above has been quashed because of a failure to comply with that section in making the calculation.

Supplemental

52 Information for purposes of Chapter IV

If the Secretary of State so requires by regulations, a billing authority shall supply prescribed information within a prescribed period to any precepting authority which has power to issue a precept to the billing authority.

CHAPTER V

LIMITATION OF COUNCIL TAX AND PRECEPTS

Preliminary

53 Authorities subject to designation

- (1) In this Chapter any reference to an authority is a reference to a billing authority or a relevant precepting authority, that is, a major precepting authority other than the Receiver for the Metropolitan Police District.
- (2) In this Chapter any reference to the amount calculated by an authority as its budget requirement for a financial year is a reference to the amount calculated by it in relation to the year—
 - (a) in the case of a billing authority, under section 32(4) above;
 - (b) in the case of a relevant precepting authority, under section 43(4) above.

Designation

54 Power to designate authorities

- (1) As regards a financial year the Secretary of State may designate an authority if in his opinion—
 - (a) the amount calculated by it as its budget requirement for the year is excessive; or
 - (b) there is an excessive increase in the amount so calculated over the amount calculated by it as its budget requirement for the preceding financial year.
- (2) A decision whether to designate an authority shall be made in accordance with principles determined by the Secretary of State and, in the case of an authority falling within any of the classes specified in subsection (3) below, those principles shall be the same either—
 - (a) for all authorities falling within that class; or
 - (b) for all of them which respectively have and have not been designated under this Chapter, or (as the case may be) Part VII of the 1988 Act, as regards the preceding financial year.
- (3) The classes are—
 - (a) councils of metropolitan districts;
 - (b) councils of non-metropolitan districts;
 - (c) councils of inner London boroughs;
 - (d) councils of outer London boroughs;
 - (e) county councils;
 - (f) metropolitan county police authorities and the Northumbria Police Authority; and
 - (g) metropolitan county fire and civil defence authorities.
- (4) Subject to subsection (6) below, any reference in subsection (1) above to the amount calculated by a billing authority as its budget requirement for a financial year shall

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be construed as a reference to the amount so calculated less the aggregate amount for the year of any precepts—

- (a) issued to it by local precepting authorities; or
 - (b) anticipated by it in pursuance of regulations under section 41 above, which were taken into account by it in making the calculation under section 32(2) above.
- (5) In construing subsection (1) above any calculation for which another has been substituted at the time designation is proposed shall be ignored.
- (6) The Secretary of State may by order provide that subsection (4) above shall not apply in relation to—
- (a) any financial year specified in the order; or
 - (b) any other financial year in so far as it provides the basis of comparison for the purposes of subsection (1)(b) above in relation to a year so specified.
- (7) A statutory instrument containing an order under this section shall be subject to annulment in pursuance of a resolution of the House of Commons.

55 Special transitional provisions

- (1) The Secretary of State may specify in a report—
- (a) as regards the financial year beginning in 1993 and any authority; or
 - (b) as regards any subsequent financial year and any authority whose boundaries or functions have changed or will change at any time during the period consisting of that year and the preceding financial year,
- the relevant notional amount, that is, the amount which in his opinion should be used as the basis of comparison for the purposes of section 54(1)(b) above in place of the basis of comparison there referred to.
- (2) A report under this section—
- (a) shall contain such explanation as the Secretary of State considers desirable of the calculation by him of the relevant notional amount; and
 - (b) shall be laid before the House of Commons.
- (3) A report under this section may relate to two or more authorities and may be amended by a subsequent report under this section.
- (4) If a report under this section is approved by resolution of the House of Commons, section 54(1)(b) above shall have effect, as regards the year and any authority to which the report relates, as if the relevant notional amount were the basis of comparison there referred to.

56 Designation of authorities

- (1) If the Secretary of State decides under section 54 above to designate an authority he shall notify it in writing of—
- (a) his decision;
 - (b) the principles determined under subsection (2) of that section in relation to it; and
 - (c) the amount which he proposes should be the maximum for the amount calculated by it as its budget requirement for the year.

- (2) A designation—
 - (a) is invalid unless subsection (1) above is complied with; and
 - (b) shall be treated as made at the beginning of the day on which the authority receives a notification under that subsection.
- (3) Where—
 - (a) an authority has been designated under this section; and
 - (b) after the designation is made the authority makes substitute calculations in relation to the year,
the substitute calculations shall be invalid unless they are made in accordance with section 60 or (as the case may be) section 61 below.
- (4) Before the end of the period of 28 days beginning with the day it receives a notification under this section, an authority may inform the Secretary of State by notice in writing that—
 - (a) for reasons stated in the notice, it believes the maximum amount stated under subsection (1)(c) above should be such as the authority states in its notice; or
 - (b) it accepts the maximum amount stated under subsection (1)(c) above.
- (5) References in the following provisions of this Chapter to a designated authority are to an authority designated under this section.

Maximum amounts

57 Challenge of maximum amount

- (1) This section applies where a designated authority informs the Secretary of State by notice in writing under section 56(4)(a) above.
- (2) After considering any information he thinks is relevant the Secretary of State shall (subject to subsection (5) below) make an order stating the amount which the amount calculated by the authority as its budget requirement for the year is not to exceed.
- (3) Subject to subsection (4) below, the amount stated under subsection (2) above may be the same as, or greater or smaller than, that stated in the notice under section 56(1)(c) above.
- (4) The amount stated under subsection (2) above may not exceed the amount already calculated by the authority as its budget requirement for the year unless, in the Secretary of State's opinion, the authority failed to comply with section 32 or (as the case may be) section 43 above in making the calculation.
- (5) No order under this section shall be made unless a draft of it has been laid before and approved by resolution of the House of Commons.
- (6) An order under this section may relate to two or more authorities.
- (7) As soon as is reasonably practicable after an order under this section is made the Secretary of State shall serve on the authority (or each authority) a notice stating the amount stated in the case of the authority in the order.
- (8) When he serves a notice under subsection (7) above on a precepting authority the Secretary of State shall also serve a copy of it on each billing authority to which the precepting authority has power to issue a precept.

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- (9) In construing subsection (4) above any calculation for which another has been substituted at the time of designation shall be ignored.

58 Acceptance of maximum amount

- (1) This section applies where a designated authority informs the Secretary of State by notice in writing under section 56(4)(b) above.
- (2) As soon as is reasonably practicable after he receives the notice the Secretary of State shall serve on the authority a notice stating the amount which the amount calculated by it as its budget requirement for the year is not to exceed; and the amount stated shall be that stated in the notice under section 56(1)(c) above.
- (3) When he serves a notice under subsection (2) above on a precepting authority, the Secretary of State shall also serve a copy of it on each billing authority to which the precepting authority has power to issue a precept.

59 No challenge or acceptance

- (1) This section applies where the period mentioned in subsection (4) of section 56 above ends without a designated authority informing the Secretary of State by notice in writing under paragraph (a) or (b) of that subsection.
- (2) As soon as is reasonably practicable after the period ends the Secretary of State shall (subject to subsection (3) below) make an order stating the amount which the amount calculated by the authority as its budget requirement for the year is not to exceed; and the amount stated shall be that stated in the notice under section 56(1)(c) above.
- (3) No order under this section shall be made unless a draft of it has been laid before and approved by resolution of the House of Commons.
- (4) An order under this section may relate to two or more authorities.
- (5) As soon as is reasonably practicable after an order under this section is made the Secretary of State shall serve on the authority (or each authority) a notice stating the amount stated in the case of the authority in the order.
- (6) When he serves a notice under subsection (5) above on a precepting authority, the Secretary of State shall also serve a copy of it on each billing authority to which the precepting authority has power to issue a precept.

Substitute calculations

60 Duty of designated billing authority

- (1) Where a billing authority has received a notice under section 57(7), 58(2) or 59(5) above, it shall make substitute calculations in relation to the year in accordance with sections 32 to 36 above, ignoring section 32(10) above for this purpose.
- (2) The substitute calculations shall be made so as to secure—
- (a) that the amount calculated by the authority as its budget requirement for the year does not exceed that stated in the notice; and

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- (b) subject to subsection (3) below, that any amount calculated under section 33(1) or 34(2) or (3) above as the basic amount of council tax applicable to any dwelling does not exceed that so calculated in the previous calculations.
- (3) Subsection (2)(b) above does not apply in any case where the amount stated in the notice exceeds that already calculated by the authority as its budget requirement for the year.
- (4) In making substitute calculations under section 33(1) or 34(3) above, the authority must use any amount determined in the previous calculations for item P or T in section 33(1) above or item TP in section 34(3) above.
- (5) For the purposes of subsection (4) above, the authority may treat any amount determined in the previous calculations for item P in section 33(1) above as increased by the amount of any sum which—
 - (a) it estimates will be payable for the year into its general fund in respect of additional grant; and
 - (b) was not taken into account by it in making those calculations.

61 Duty of designated precepting authority

- (1) Where a relevant precepting authority has received a notice under section 57(7), 58(2) or 59(5) above, it shall make substitute calculations in relation to the year in accordance with sections 43 to 48 above.
- (2) The substitute calculations shall be made so as to secure—
 - (a) that the amount calculated by the authority as its budget requirement for the year does not exceed that stated in the notice; and
 - (b) subject to subsection (3) below, that any amount calculated under section 44(1) or 45(2) or (3) above as the basic amount of council tax applicable to any dwelling does not exceed that so calculated in the previous calculations.
- (3) Subsection (2)(b) above does not apply in any case where the amount stated in the notice exceeds that already calculated by the authority as its budget requirement for the year.
- (4) In making substitute calculations under section 44(1) or 45(3) above, the authority must use any amount determined in the previous calculations for item P or T in section 44(1) above or item TP in section 45(3) above.
- (5) For the purposes of subsection (4) above, the authority may treat any amount determined in the previous calculations for item P in section 44(1) above as increased by the amount of any sum which—
 - (a) it estimates will be payable to it for the year in respect of additional grant; and
 - (b) was not taken into account by it in making those calculations.

62 Failure to substitute

- (1) This section applies if an authority which has received a notice under section 57(7), 58(2) or 59(5) above fails to comply with section 60 or (as the case may be) section 61 above before the end of the period of 21 days beginning with the day on which it receives the notice.

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- (2) In the case of a billing authority, it shall have no power during the period of restriction to transfer any amount from its collection fund to its general fund and sections 97 and 98 of the 1988 Act (transfers between funds) shall have effect accordingly.
- (3) In the case of a relevant precepting authority, any authority to which it has power to issue a precept shall have no power during the period of restriction to pay anything in respect of a precept issued by it for the year.
- (4) For the purposes of this section the period of restriction is the period which—
 - (a) begins at the end of the period mentioned in subsection (1) above; and
 - (b) ends at the time (if any) when the authority complies with section 60 or 61 above.

Supplemental

63 Separate administration in England and Wales

- (1) This Chapter shall be read as applying separately, and be administered separately, in England and Wales.
- (2) In particular, for England and Wales respectively separate principles shall be determined under section 54(2) above.
- (3) This Chapter shall be construed accordingly so that (for instance) references to authorities shall be read as references to those in England or Wales, as the case may be.

64 Information for purposes of Chapter V

- (1) An authority shall notify the Secretary of State in writing of any amount calculated by it as its budget requirement for a financial year, whether originally or by way of substitute.
- (2) A billing authority shall also notify the Secretary of State in writing of the aggregate amount for any financial year of any precepts—
 - (a) issued to it by local precepting authorities; or
 - (b) anticipated by it in pursuance of regulations under section 41 above, which were taken into account by it in making a calculation in relation to the year under section 32(2) above.
- (3) A notification under subsection (1) or (2) above must be given before the end of the period of seven days beginning with the day on which the calculation was made.
- (4) The Secretary of State may serve on an authority a notice requiring it to supply to him such other information as is specified in the notice and required by him for the purpose of deciding whether to exercise his powers, and how to perform his functions, under this Chapter.
- (5) The authority shall supply the information required if it is in its possession or control, and shall do so in such form and manner, and at such time, as the Secretary of State specifies in the notice.

- (6) An authority may be required under subsection (4) above to supply information at the same time as it gives a notification under subsection (1) or (2) above or at some other time.
- (7) If an authority fails to comply with subsection (1) or (2) above, or with subsection (5) above, the Secretary of State may decide whether to exercise his powers, and how to perform his functions, under this Chapter on the basis of such assumptions and estimates as he sees fit.
- (8) In deciding whether to exercise his powers, and how to perform his functions, under this Chapter the Secretary of State may also take into account any other information available to him, whatever its source and whether or not obtained under a provision contained in or made under this or any other Act.

CHAPTER VI

MISCELLANEOUS AND SUPPLEMENTAL

65 Duty to consult ratepayers

- (1) A relevant authority shall consult under this section persons or bodies appearing to it to be representative of persons subject to non-domestic rates under sections 43 and 45 of the 1988 Act as regards hereditaments situated in the authority's area.
- (2) Consultations must be made as to each financial year, and must be about the authority's proposals for expenditure (including capital expenditure) in that financial year; and the Secretary of State may by regulations prescribe matters which are to be treated as expenditure for this purpose.
- (3) In this section "relevant authority" means a billing authority or a major precepting authority other than the Receiver for the Metropolitan Police District.
- (4) The duty to consult as to a financial year shall be performed—
 - (a) where the authority is a billing authority, before it makes calculations (otherwise than by way of substitute) in relation to the financial year under section 32 above;
 - (b) where the authority is a precepting authority, before it issues the first precept to be issued by it for the financial year.
- (5) In performing the duty to consult, an authority shall have regard to any guidance issued by the Secretary of State concerning—
 - (a) persons or bodies to be regarded for the purposes of this section as representative of persons subject to non-domestic rates under sections 43 and 45 of the 1988 Act as regards hereditaments situated in the authority's area; and
 - (b) the timing and manner of consultations under this section.
- (6) An authority shall make available to persons or bodies it proposes to consult under this section such information as may be prescribed and is in its possession or control; and it shall do so in such form and manner, and at such time, as may be prescribed.

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66 Judicial review

- (1) The matters mentioned in subsection (2) below shall not be questioned except by an application for judicial review.
- (2) The matters are—
 - (a) the specification of a class of “exempt dwelling” in an order of the Secretary of State under section 4(2) above;
 - (b) a determination made under section 8(2) or 12(1) above;
 - (c) a calculation made in accordance with any of sections 32 to 37 or section 60 or any of sections 43 to 51 or section 61 above, whether originally or by way of substitute;
 - (d) the setting under Chapter III of this Part of an amount of council tax for a financial year, whether originally or by way of substitute; and
 - (e) a precept issued under Chapter IV of this Part, whether originally or by way of substitute.
- (3) If on an application for judicial review the court decides to grant relief in respect of any of the matters mentioned in subsection (2)(b) to (e) above, it shall quash the determination, calculation, setting or precept (as the case may be).

67 Functions to be discharged only by authority

- (1) Subject to subsection (3) below, each of the functions of an authority mentioned in subsection (2) below shall be discharged only by the authority.
- (2) The functions are—
 - (a) making a determination under section 8(2) or 12(1) above;
 - (b) making a calculation in accordance with any of sections 32 to 37 or section 60 or any of sections 43 to 51 or section 61 above, whether originally or by way of substitute;
 - (c) setting an amount of council tax for a financial year under Chapter III of this Part, whether originally or by way of substitute; and
 - (d) issuing a precept under Chapter IV of this Part, whether originally or by way of substitute.
- (3) The functions of an authority mentioned in subsection (2)(c) above may, if the authority so directs, be exercised by a committee of the authority appointed by it for that purpose; and as respects a committee so appointed—
 - (a) the number of members and their term of office shall be fixed by the authority; and
 - (b) each member shall be a member of the authority.
- (4) Part VA (access to meetings and documents of certain authorities, committees and sub-committees) of the Local Government Act 1972 shall apply in relation to a committee appointed under subsection (3) above as it applies in relation to a committee appointed under section 102 of that Act.

68 Information required by Secretary of State

- (1) Subsection (2) below applies where—

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- (a) the Secretary of State serves a notice on a relevant authority or relevant officer requiring it or him to supply to the Secretary of State information specified in the notice;
 - (b) the information is required by the Secretary of State for the purpose of deciding whether to exercise his powers, and how to perform his functions, under this Part; and
 - (c) the information is not personal information.
- (2) The authority or officer shall supply the information required, and shall do so in such form and manner and at such time as the Secretary of State specifies in the notice.
- (3) If an authority or officer fails to comply with subsection (2) above the Secretary of State may assume the information required to be such as he sees fit; and in such a case the Secretary of State may decide in accordance with the assumption whether to exercise his powers, and how to perform his functions, under this Part.
- (4) In deciding whether to exercise his powers, and how to perform his functions, under this Part the Secretary of State may also take into account any other information available to him, whatever its source and whether or not obtained under a provision contained in or made under this Part or any other enactment.
- (5) In this section—
“relevant authority” means a billing authority or a precepting authority;
“relevant officer” means a proper officer (within the meaning of the Local Government Act 1972) of such an authority.
- (6) For the purposes of this section personal information—
(a) is information which relates to an individual (living or dead) who can be identified from that information or from that and other information supplied to any person by the authority or officer concerned; and
(b) includes any expression of opinion about the individual and any indication of the intentions of any person in respect of the individual.

69 Interpretation etc. of Part I

- (1) In this Part, unless the context otherwise requires—
“additional grant” has the meaning given by section 85(2) of the 1988 Act;
“billing authority” has the meaning given by section 1(2) above;
“the City” means the City of London;
“the Common Council” means the Common Council of the City;
“dwelling” has the meaning given by section 3 above;
“financial year”, except in references to earlier or preceding financial years, does not include the financial year beginning in 1992 or earlier financial years;
“levy” means a levy under regulations made under section 74 of the 1988 Act;
“listing officer” shall be construed in accordance with section 20 above;
“local precepting authority” has the meaning given by section 39(2) above;
“major precepting authority” has the meaning given by section 39(1) above;
“owner” has the meaning given by section 6(5) above;

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“particulars delivered document” means any document which, having been (whether before or after the passing of this Act)—

(a) produced to the Commissioners of Inland Revenue in pursuance of section 28 of the Finance Act 1931; or

(b) furnished to them in pursuance of Schedule 2 to that Act,

is for the time being in their possession or under their control;

“precepting authority” means a major precepting authority or a local precepting authority;

“redistributed non-domestic rates” means any sums payable by the Secretary of State under paragraph 12 or 15 of Schedule 8 to the 1988 Act;

“resident” has the meaning given by section 6(5) above;

“revenue support grant” has the meaning given by section 78(1) of the 1988 Act;

“special levy” means a special levy under regulations made under section 75 of the 1988 Act;

“valuation tribunal” shall be construed in accordance with section 15 above.

(2) In this Part—

(a) any reference to dwellings listed in a particular valuation band shall be construed in accordance with section 5(6) above;

(b) any reference to an amount payable in respect of council tax for any financial year includes a reference to an amount payable in respect of council tax for any period falling within that year; and

(c) 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.

(3) For the purposes of this Part the Inner Temple and the Middle Temple shall be taken to fall within the area of the Common Council.

(4) No provision of this Part which provides an express remedy shall prejudice any remedy available to a person (apart from that provision) in respect of a failure to observe a provision of this Part; and references in this subsection to this Part include references to instruments made under it.

PART II

COUNCIL TAX: SCOTLAND

Preliminary

70 Council tax in respect of dwellings

(1) In respect of the financial year 1993-94 and each subsequent financial year, each local authority in Scotland shall impose a tax which—

(a) shall be known as—

(i) the regional council tax;

(ii) the islands council tax; or

(iii) the district council tax,

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- depending upon which local authority impose it; and
 - (b) shall be payable in respect of dwellings situated in that authority's area.
- (2) The expenses of a local authority in discharging functions under any public general Act, so far as not met otherwise or so far as not otherwise provided for in any such Act, shall be met out of the council tax imposed by the local authority under this Part.

71 Liability to be determined on a daily basis

- (1) Liability to pay council tax shall be determined on a daily basis.
- (2) For the purposes of determining for any day—
- (a) whether any property is a chargeable dwelling;
 - (b) which valuation band is shown in a valuation list as applicable to any chargeable dwelling;
 - (c) the person liable to pay council tax in respect of any such dwelling; or
 - (d) whether any amount of council tax is subject to a discount and (if so) the amount of the discount,
- it shall be assumed that any state of affairs subsisting at the end of the day had subsisted throughout the day.

Chargeable dwellings

72 Dwellings chargeable to council tax

- (1) Council tax shall be payable in respect of any dwelling which is not an exempt dwelling.
- (2) In this Part, “dwelling”—
- (a) means any lands and heritages—
 - (i) which consist of one or more dwelling houses with any garden, yard, garage, outhouse or pertinent belonging to and occupied with such dwelling house or dwelling houses; and
 - (ii) which would, but for the provisions of section 73(1) below, be entered separately in the valuation roll;
 - (b) includes—
 - (i) the residential part of part residential subjects; and
 - (ii) that part of any premises which has, in terms of section 45 of the 1980 Act, been apportioned, as at 1st April 1989, as a dwelling house; and
 - (c) does not include a caravan which is not a person's sole or main residence.
- (3) For the purposes of subsection (2) above “caravan” has the same meaning as it has in Part I of the Caravan Sites and Control of Development Act 1960.
- (4) The Secretary of State may vary the definition of dwelling in subsection (2) above by including or excluding such lands and heritages or parts thereof or such class or classes of lands and heritages or parts thereof as may be prescribed.
- (5) The Secretary of State may by order provide that in such cases as may be prescribed by or determined under the order—

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- (a) anything which would (apart from the order) be one dwelling shall be treated as two or more dwellings; and
 - (b) anything which would (apart from the order) be two or more dwellings shall be treated as one dwelling.
- (6) In this Part—
- “chargeable dwelling” means any dwelling in respect of which council tax is payable;
 - “exempt dwelling” means any dwelling of a class prescribed by an order made by the Secretary of State.
- (7) For the purposes of subsection (6) above, a class of dwelling may be prescribed by reference to—
- (a) the physical characteristics of dwellings;
 - (b) the fact that dwellings are unoccupied or are occupied for prescribed purposes or are occupied or owned by persons of prescribed descriptions; or
 - (c) such other factors as the Secretary of State thinks fit.
- (8) Schedule 5 to this Act shall have effect in relation to part residential subjects.

73 Alterations to valuation roll

- (1) Subject to subsection (7) below, dwellings shall not be entered in the valuation roll in respect of the financial year 1993-94 or any subsequent financial year.
- (2) Dwellings in respect of which there is an entry in the valuation roll immediately before 1st April 1993 shall be deleted from the roll with effect from that date.
- (3) Lands and heritages—
 - (a) in respect of which there is, by reason of the fact that they constitute domestic subjects within the meaning of section 2(3) of the Abolition of Domestic Rates Etc. (Scotland) Act 1987 (“the 1987 Act”), no entry on the roll immediately before 1st April 1993; and
 - (b) which are not dwellings within the meaning of section 72(2) above, shall be entered on the valuation roll with effect from that date.
- (4) Where, after 1st April 1993, any lands and heritages (including a caravan which constitutes a person’s sole or main residence) or any parts of lands and heritages cease to be a dwelling, they shall be entered in the valuation roll with effect from the date on which they so cease.
- (5) Where after 1st April 1993, by virtue of regulations made under section 72(4) above, any lands and heritages or any parts of lands and heritages—
 - (a) cease to be dwellings, they shall be entered in the valuation roll;
 - (b) become dwellings, any entry in the valuation roll in respect of such lands and heritages shall be deleted,
 with effect from such date as may be prescribed by such regulations.
- (6) Where a part of any lands and heritages falls within a class prescribed under section 72(4) above—
 - (a) the part so affected and the remainder shall be treated for the purposes of the Valuation Acts as separate lands and heritages, and

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- (b) the part of those lands and heritages which does not constitute a dwelling shall be entered in the valuation roll accordingly.
- (7) Nothing in this section affects the entering in the valuation roll of part residential subjects.

74 Different amounts for dwellings in different valuation bands

- (1) The amounts of regional, islands or district council tax payable in respect of dwellings situated in any local authority's area and listed in different valuation bands shall be in the proportion—

6: 7: 8: 9: 11: 13: 15: 18

where 6 is for dwellings listed in valuation band A, 7 is for dwellings listed in valuation band B, and so on.

- (2) The valuation bands for dwellings are set out in the following Table—

<i>Range of values</i>	<i>Valuation band</i>
Values not exceeding £27,000	A
Values exceeding £27,000 but not exceeding £35,000	B
Values exceeding £35,000 but not exceeding £45,000	C
Values exceeding £45,000 but not exceeding £58,000	D
Values exceeding £58,000 but not exceeding £80,000	E
Values exceeding £80,000 but not exceeding £106,000	F
Values exceeding £106,000 but not exceeding £212,000	G
Values exceeding £212,000	H

- (3) The Secretary of State may by order, as regards financial years beginning on or after such date as is specified in the order—
- (a) substitute another proportion for that which is for the time being effective for the purposes of subsection (1) above;
- (b) substitute other valuation bands for those which are for the time being effective for the purposes of subsection (2) above.
- (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) Any reference in this Part to dwellings listed in a particular valuation band shall be construed as a reference to dwellings to which that valuation band is shown as applicable in the valuation list.

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Liability to tax

75 Persons liable to pay council tax

- (1) The person who is liable to pay council tax in respect of any chargeable dwelling and any day is the person who falls within the first paragraph of subsection (2) below to apply, taking paragraph (a) of that subsection first, paragraph (b) next, and so on.
- (2) A person falls within this subsection in relation to any chargeable dwelling and any day if, on that day—
 - (a) he is the resident owner of the whole or any part of the dwelling;
 - (b) he is a resident tenant of the whole or any part of the dwelling;
 - (c) he is a resident statutory tenant, resident statutory assured tenant or resident secure tenant of the whole or any part of the dwelling;
 - (d) he is a resident sub-tenant of the whole or any part of the dwelling;
 - (e) he is a resident of the dwelling; or
 - (f) he is any of the following—
 - (i) the sub-tenant of the whole or any part of the dwelling under a sub-lease granted for a term of 6 months or more;
 - (ii) the tenant, under a lease granted for a term of 6 months or more, of any part of the dwelling which is not subject to a sub-lease granted for a term of 6 months or more;
 - (iii) the owner of any part of the dwelling which is not subject to a lease granted for a term of 6 months or more.
- (3) Where, in relation to any chargeable dwelling and any day, two or more persons fall within the first paragraph of subsection (2) above to apply, they shall be jointly and severally liable to pay the council tax payable in respect of the dwelling and that day.
- (4) Subsection (3) above shall not apply as respects any day on which one or more of the persons there mentioned fall to be disregarded for the purposes of discount by virtue of paragraph 2 of Schedule 1 to this Act (the severely mentally impaired) and one or more of them do not; and liability to pay the council tax in respect of the dwelling and that day shall be determined as follows—
 - (a) if only one of those persons does not fall to be so disregarded, he shall be solely liable;
 - (b) if two or more of those persons do not fall to be so disregarded, they shall be jointly and severally liable.
- (5) In this section—

“secure tenant” means a tenant under a secure tenancy within the meaning of Part III of the Housing (Scotland) Act 1987;

“statutory tenant” means a statutory tenant within the meaning of the Rent (Scotland) Act 1984;

“statutory assured tenant” means a statutory assured tenant within the meaning of the Housing (Scotland) Act 1988.

76 Liability in prescribed cases

- (1) Subsections (3) and (4) below shall have effect in substitution for section 75 above in relation to any chargeable dwelling of a class prescribed for the purposes of this subsection.
- (2) Subsections (3) and (4) below shall have effect in substitution for section 75 above in relation to any chargeable dwelling of a class prescribed for the purposes of this subsection, if the levying authority so determines in relation to all dwellings of that class which are situated in its area.
- (3) Where on any day this subsection has effect in relation to a dwelling, the owner of the dwelling shall be liable to pay the council tax in respect of the dwelling and that day.
- (4) Where on any day two or more persons fall within subsection (3) above, they shall each be jointly and severally liable to pay the council tax in respect of the dwelling and that day.
- (5) Subsection (4) of section 75 above shall apply for the purposes of subsection (4) above as it applies for the purposes of subsection (3) of that section.
- (6) Regulations prescribing a class of chargeable dwellings for the purposes of subsection (1) or (2) above may provide that, in relation to any dwelling of that class, subsection (3) above shall have effect as if for the reference to the owner of the dwelling there were substituted a reference to the person falling within such description as may be prescribed.
- (7) Subsection (7) of section 72 above shall apply for the purposes of subsections (1) and (2) above as it applies for the purposes of subsection (6) of that section.

77 Liability of spouses

- (1) Where—
 - (a) a person who is liable to pay council tax in respect of any chargeable dwelling and any day is married to another person; and
 - (b) that other person is also a resident of the dwelling on that day but would not, apart from this section, be so liable,those persons shall be jointly and severally liable to pay the council tax payable in respect of that dwelling and that day.
- (2) Subsection (1) above shall not apply as respects any day on which the other person there mentioned falls to be disregarded for the purposes of discount by virtue of paragraph 2 of Schedule 1 to this Act (the severely mentally impaired).
- (3) For the purposes of this section two persons are married to each other if they are a man and a woman—
 - (a) who are married to each other; or
 - (b) who are not married to each other but are living together as husband and wife.

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Amounts of tax payable

78 Basic amounts payable

Subject to sections 79 and 80 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 levying 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 or, as the case may be, the aggregate of the amounts which, for the financial year in which the day falls and for dwellings in the valuation band listed for the dwelling, has or have been imposed by the local authority or authorities in whose area or areas the dwelling is situated;

D is the number of days in the financial year.

79 Discounts

- (1) The amount of council tax payable in respect of a chargeable dwelling and any day shall be subject to a discount equal to the appropriate percentage of that amount if on that day—
 - (a) there is only one resident of the dwelling and he does not fall to be disregarded for the purposes of discount; or
 - (b) there are two or more residents of the dwelling and each of them except one falls to be disregarded for those purposes.
- (2) The amount of council tax payable in respect of a chargeable dwelling and any day shall be subject to a discount equal to twice the appropriate percentage of that amount if on that day—
 - (a) there is no resident of the dwelling; or
 - (b) 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 “the appropriate percentage” means 25 per cent. or, if the Secretary of State by order so provides in respect of 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.

80 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 levying authority in respect of council tax for any financial year which is prescribed; and
 - (b) prescribed conditions are fulfilled.

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- (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.
- (3) This section applies whether the amount mentioned in subsection (1) above is determined under section 78 above or under that section read with section 79 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 mentioned 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—
 - (i) relating to any local authority whose council tax constitutes all or part of the amount referred to in subsection (1) above; and
 - (ii) which is specified, or is to be specified, 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 local 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 levying authority relating to the application or operation of the regulations;
 - (d) provision that no appeal may be made to a valuation appeal committee in respect of such a decision, notwithstanding section 81(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.

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- (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.

Appeals

81 Appeal to valuation appeal committee

- (1) A person may appeal to a valuation appeal committee if he is aggrieved by—
- (a) any decision of a levying authority that a dwelling is a chargeable dwelling, or that he is liable to pay council tax in respect of such a dwelling; or
 - (b) any calculation made by a levying authority of an amount which he is liable to pay to the authority in respect of council tax,
- and the committee shall make such decision as they think just.
- (2) In subsection (1) above the reference to any calculation of an amount includes a reference to any estimate of the amount.
- (3) Subsection (1) above shall not apply where the grounds on which the person concerned is aggrieved fall within such category or categories as may be prescribed.
- (4) No appeal may be made under subsection (1) above unless—
- (a) the aggrieved person serves a written notice under this subsection; and
 - (b) one of the conditions mentioned in subsection (7) below is fulfilled.
- (5) A notice under subsection (4) above must be served on the levying authority concerned.
- (6) A notice under subsection (4) above must state the matter by which and the grounds on which the person is aggrieved.
- (7) The conditions are that—
- (a) the aggrieved person is notified in writing, by the authority on which he served the notice, that the authority believes the grievance is not well founded, but the person is still aggrieved;
 - (b) the aggrieved person is notified in writing, by the authority on which he served the notice, that steps have been taken to deal with the grievance, but the person is still aggrieved;
 - (c) the period of two months, beginning with the date of service of the aggrieved person’s notice, has ended without his being notified under paragraph (a) or (b) above.
- (8) Where a notice under subsection (4) above is served on an authority, the authority shall—
- (a) consider the matter to which the notice relates;
 - (b) include in any notification under subsection (7)(a) above the reasons for the belief concerned;
 - (c) include in any notification under subsection (7)(b) above a statement of the steps taken.

82 Appeal procedure

- (1) The Secretary of State may by regulations make provision for the procedure to be followed in appeals under this Part to a valuation appeal committee.
- (2) Regulations under this section may include provision—
 - (a) as to the time within which any proceedings before the committee are to be instituted;
 - (b) for requiring persons to attend to give evidence and produce documents and for granting to any person such recovery of documents as might be granted by the Court of Session; and
 - (c) as to the manner in which any decision of the committee is to be implemented.
- (3) Any person who fails to comply with any requirement imposed by regulations under paragraph (b) of subsection (2) above shall be guilty of an offence and liable on summary conviction to a fine not exceeding level 1 on the standard scale.
- (4) Any party to an appeal under this Part may appeal against a decision of the valuation appeal committee on a point of law to the Court of Session.
- (5) Neither section 1(3A) of the Lands Tribunal Act 1949 nor section 15 of the Local Government (Financial Provisions) (Scotland) Act 1963 shall apply to appeals to or from a valuation appeal committee under this Part.
- (6) It shall be a defence for a person charged with an offence under subsection (3) above to prove that he had a reasonable excuse for acting as he did.

New dwellings

83 Completion of new dwellings

- (1) Schedule 6 to this Act (which makes provision with respect to the determination of a day as the completion day in relation to a new building which, or any part of which, will constitute or constitutes a dwelling) shall have effect.
- (2) A dwelling in a new building shall be deemed for the purposes of this Part to have come into existence on the day determined under that Schedule as the completion day in respect of that building, whether or not the building is completed on that day.
- (3) Where—
 - (a) a day is determined under that Schedule as the completion day in relation to a new building; and
 - (b) the building is one produced by the structural alteration of a building which consists of one or more existing dwellings,the existing dwelling or dwellings shall be deemed for the purposes of this Part to have ceased to exist on that day.
- (4) Any reference in this section or that Schedule to a new building includes a reference to a building produced by the structural alteration of an existing building where—
 - (a) the existing building constitutes a dwelling which, by virtue of the alteration, becomes, or becomes part of, a different dwelling or different dwellings; or
 - (b) the existing building does not, except by virtue of the alteration, constitute a dwelling.

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- (5) Any reference in this section or that Schedule to a building includes a reference to a part of a building.

Valuation lists

84 Compilation and maintenance of valuation lists

- (1) In accordance with this Part, the local assessor for each regional and islands council shall compile, and then maintain, a list for that council (to be known as the “valuation list”).
- (2) A valuation list must show, for each day for which it is in force—
 - (a) each dwelling which is situated in the regional or islands council’s area; and
 - (b) which of the valuation bands mentioned in section 74(2) above is applicable to the dwelling.
- (3) A list must also contain such information about dwellings shown in it as may be prescribed.
- (4) The omission from a list of any matter required to be included in it shall not of itself render the list invalid, so far as any other matter contained in it is concerned.
- (5) Any rules as to Crown exemption which would have applied apart from this subsection shall not prevent a list showing a dwelling, showing the valuation band applicable to a dwelling and containing any prescribed information about a dwelling.
- (6) A list must be compiled on 1st April 1993 and shall come into force on that day.
- (7) Before a list is compiled the local assessor must take such steps as are reasonably practicable in the time available to ensure that it is accurately compiled on 1st April 1993.
- (8) Any valuation of a dwelling carried out by the local assessor in pursuance of subsection (7) above shall be carried out in accordance with section 86(2) below.
- (9) The local assessor shall maintain the valuation list for so long as is necessary for the purposes of this Part.
- (10) In this Part “local assessor” means the assessor appointed under section 116(2) or (5) (appointment of assessors) of the 1973 Act for each region and islands area; and any depute assessor appointed under the said section 116(2) or (5) shall have all the functions of a local assessor under this Part.

85 Distribution of lists

- (1) At the following times, namely—
 - (a) not later than 1st September 1992; and
 - (b) not earlier than 15th November 1992 and not later than 1st December 1992,
 the local assessor shall send to each council for which he has been appointed to act as local assessor a copy of the list which he proposes (on the information then before him) to compile for that council’s area.
- (2) At the same time as he sends a copy of the valuation list to a council under subsection (1) above, the local assessor for a regional council shall send to each district

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council in the region a copy of so much of the regional valuation list as relates to dwellings in the area of that district.

- (3) As soon as reasonably practicable after receiving a copy of a list under subsection (1) (b) above the regional or islands council shall deposit it at their principal office and take such steps as they think fit for giving notice of it.
- (4) As soon as reasonably practicable after compiling a list the local assessor shall—
 - (a) send to each council for which he has been appointed to act as local assessor a copy of the list compiled for that council's area; and
 - (b) in the case of a regional council, send to each district council in the region a copy of so much of the list as relates to dwellings in the area of that district.
- (5) As soon as reasonably practicable after receiving a copy of a list under subsection (4) above the regional or islands council shall deposit it at their principal office.
- (6) The local assessor shall, as soon as is reasonably practicable after 1st April in each year, send a copy of the valuation list as in force on that date to the Keeper of the Records of Scotland for preservation by him.

86 Valuation of dwellings

- (1) In order to enable him to compile a valuation list for his area under section 84 above, a local assessor shall, in accordance with the provisions of this Part, carry out a valuation of such of the dwellings in his area as he considers necessary or expedient for the purpose of determining which of the valuation bands mentioned in section 74(2) above applies to each dwelling in his area.
- (2) The valuation shall be carried out by reference to 1st April 1991 and on such assumptions and in accordance with such principles as may be prescribed.
- (3) Where it appears to a local assessor that, having regard to the assumptions and principles mentioned in subsection (2) above, and to any directions given under subsection (5) below, a dwelling falls clearly within a particular valuation band, he need not carry out an individual valuation of that dwelling.
- (4) Subject to subsection (5) below, the local assessor shall carry out the valuation in the region or islands area for which he has been appointed as assessor.
- (5) A local assessor shall comply with such directions as may be given in relation to the valuation by the Commissioners of Inland Revenue.
- (6) The Commissioners of Inland Revenue may, for the purpose of preparing any directions under subsection (5) above, make such investigations and set up such facilities in Scotland as appear to them to be appropriate.
- (7) A local assessor may appoint persons to assist him.
- (8) A local assessor may disclose to a person appointed by him under subsection (7) above any information available to him or obtained by him in the exercise of the powers conferred by section 90 below.
- (9) If any person to whom any information is disclosed by virtue of subsection (8) above uses or discloses the information, in whole or in part, otherwise than for the purposes of the valuation, he shall be guilty of an offence and liable—

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- (a) on conviction on indictment, to imprisonment for a term not exceeding two years or a fine or both; and
 - (b) on summary conviction, to imprisonment for a term not exceeding six months or a fine not exceeding the statutory maximum or both.
- (10) A regional or islands council shall secure the provision of sufficient staff, accommodation and other resources (including sums for the payment of persons appointed by the local assessor to assist him) to enable the local assessor to carry out his functions.
- (11) The Secretary of State may, with the consent of the Treasury, make grants of such amounts as he may, with such consent, determine to regional or islands councils towards such of their expenditure under this section as he considers to have been reasonably incurred.

87 Alteration of lists

- (1) The Secretary of State may make regulations about the alteration by local assessors of valuation lists which have been compiled under this Part; and subsections (2) to (10) below shall apply for the purposes of this subsection.
- (2) The regulations may include provision that where a local assessor intends to alter the list with a view to its being accurately maintained, he shall not alter it unless prescribed conditions (as to notice or otherwise) are fulfilled.
- (3) The regulations may include provision that any valuation of a dwelling carried out in connection with a proposal for the alteration of the list shall be carried out in accordance with section 86(2) above.
- (4) The regulations may include provision that no alteration shall be made of a valuation band shown in the list as applicable to any dwelling unless—
- (a) since the valuation band was first shown in the list as applicable to the dwelling—
 - (i) there has been a material increase in the value of the dwelling and it, or any part of it, has subsequently been sold; or
 - (ii) there has been a material reduction in the value of the dwelling,
 and (in either case) prescribed conditions are fulfilled; or
 - (b) the local assessor is satisfied that—
 - (i) a different valuation band should have been determined by him as applicable to the dwelling; or
 - (ii) the valuation band shown in the list is not that determined by him as so applicable; or
 - (c) the assessor has, under Schedule 5 to this Act, added, amended or deleted an apportionment note relating to any lands and heritages included in the valuation roll; or
 - (d) there has been a successful appeal under this Act against the valuation band shown in the list.
- (5) The regulations may include provision—
- (a) as to who (other than a local assessor) may make a proposal for the alteration of the list with a view to its being accurately maintained;

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- (b) as to the manner and circumstances in which a proposal may be made and the information to be included in a proposal;
 - (c) as to the period within which a proposal must be made;
 - (d) as to the procedure for and subsequent to the making of a proposal;
 - (e) as to the circumstances within which and the conditions upon which a proposal may be withdrawn; and
 - (f) requiring the local assessor to inform other prescribed persons of the proposal in a prescribed manner.
- (6) The regulations may include provision that, where there is a disagreement between the local assessor and another person making a proposal for the alteration of a list—
- (a) about the validity of the proposal; or
 - (b) about the accuracy of the list,
- an appeal may be made to a valuation appeal committee.
- (7) The regulations may include—
- (a) provision as to the period for which or day from which an alteration of a list is to have effect (including provision that it is to have retrospective effect);
 - (b) provision requiring a list to be altered so as to indicate the effect (retrospective or otherwise) of the alteration;
 - (c) provision requiring the local assessor to inform prescribed persons of an alteration within a prescribed period;
 - (d) provision requiring the local assessor to keep for a prescribed period a record of the state of the list before the alteration was made.
- (8) The regulations may include provision as to financial adjustments to be made as a result of alterations, including—
- (a) provision requiring payments or repayments to be made; and
 - (b) provision as to the recovery (by deduction or otherwise) of sums due.
- (9) The regulations may include provision that where—
- (a) a local assessor has informed a regional or islands council of an alteration to a list; and
 - (b) a copy of the list has been deposited by that authority under section 85(5) above,
- the authority must alter the copy accordingly.
- (10) In this section—
- “material increase”, in relation to the value of a dwelling, means any increase which is caused (in whole or in part) by any building, engineering or other operation carried out in relation to the dwelling, whether or not constituting development for which planning permission is required;
- “material reduction”, in relation to the value of a dwelling, means any reduction which is caused (in whole or in part) by the demolition of any part of the dwelling, any change in the physical state of the dwelling’s locality or any adaptation of the dwelling to make it suitable for use by a physically disabled person.

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88 Compilation and maintenance of new lists

- (1) This section applies where the Secretary of State makes an order under subsection (3) (b) of section 74 above providing that, as regards financial years beginning on or after such date as is specified in the order, valuation bands so specified shall be substituted for those for the time being effective for the purposes of subsection (2) of that section.
- (2) For the purpose of—
 - (a) requiring local assessors to compile, and then maintain, new valuation lists for those financial years; and
 - (b) facilitating the compilation and maintenance by the local assessors of those lists,
 the provisions of this Part shall have effect with the modifications mentioned in subsection (3) below.
- (3) The modifications are—
 - (a) for the date specified in section 84(6) and (7) above there shall be substituted the date specified in the order; and
 - (b) for the dates specified in sections 85(1) and 86(2) above there shall be substituted such dates as are specified in an order made by the Secretary of State under this subsection.

Valuation lists: supplemental

89 Powers of entry

- (1) Subject to subsection (2) below, if a local assessor needs to value a property for the purpose of carrying out any functions conferred or imposed on him by or under this Part, he may enter on, survey and value the property.
- (2) At least three clear days' notice in writing of the proposed exercise of the power must be given to the occupier; and there shall be disregarded for this purpose any day which is—
 - (a) a Saturday, a Sunday, Christmas Day or Good Friday; or
 - (b) a day which is a bank holiday under the Banking and Financial Dealings Act 1971 in Scotland.
- (3) Any person who wilfully delays or obstructs a person in the exercise of a power under this section shall be guilty of an offence and liable on summary conviction to a fine not exceeding level 2 on the standard scale.

90 Information about properties

- (1) This section makes provision in relation to the carrying out by the local assessor of any functions conferred or imposed on him by or under this Part.
- (2) The local assessor shall have access to and the use of any information available to—
 - (a) the assessor for the purposes of the Valuation Acts;
 - (b) the community charges registration officer; or
 - (c) the electoral registration officer,
 for his area.

- (3) In any case where—
- (a) a notice is served by a local assessor on a regional, islands or district council, a housing body or on any other person prescribed for the purposes of this section; and
 - (b) the notice requests the supply of information of a description specified in the notice; and
 - (c) the information relates to property and is information which the local assessor reasonably believes will assist him in carrying out any of his functions under this Part,
- the council or other person shall supply the information requested, and shall do so in such form and manner and at such time as the local assessor specifies in the notice.
- (4) For the purpose of carrying out any of his functions under this Part, a local assessor may serve on a person who is or has been an owner or occupier of any dwelling in his area a notice—
- (a) requesting him to supply to the local assessor information which is of a description specified in the notice; and
 - (b) stating that the local assessor believes the information requested will assist him in carrying out those functions.
- (5) A person on whom a notice is served under subsection (4) above shall supply the information requested if it is in his possession or control, and shall do so in such form and manner as is specified in the notice and within the period of 21 days beginning with the day on which the notice is served.
- (6) If a person on whom a notice has been served under subsection (4) above fails to comply with subsection (5) above, he shall be guilty of an offence and liable on summary conviction to a fine not exceeding level 2 on the standard scale.
- (7) If, in supplying information in purported compliance with subsection (5) above, a person on whom a notice has been served under subsection (4) above—
- (a) makes a statement which he knows to be false in a material particular; or
 - (b) recklessly makes a statement which is false in a material particular,
- he shall be guilty of an offence and liable on summary conviction to imprisonment for a term not exceeding 3 months or a fine not exceeding level 3 on the standard scale or both.
- (8) If in the course of the exercise of their functions any information comes to the notice of a levying authority which they consider would assist the local assessor in carrying out any of his functions under this Part, they shall give him that information.
- (9) It shall be a defence for a person charged with an offence under subsection (6) above to prove that he had a reasonable excuse for acting as he did.

91 Information about lists

- (1) A person may require a local assessor to give him access to such information as will enable him to establish what is the state of a list, or has been its state at any time since it came into force, if—
- (a) the local assessor is maintaining the list; and
 - (b) the list is in force or has been in force at any time in the preceding 5 years.

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- (2) A person may require a levying authority to give him access to such information as will enable him to establish what is the state of a copy of a list, or has been its state at any time since it was deposited, if—
 - (a) the authority has deposited the copy under section 85(5) above; and
 - (b) the list is in force or has been in force at any time in the preceding 5 years.
- (3) A person may require a levying authority to give him access to such information as will enable him to establish what is the state of a copy of a proposed list if—
 - (a) the authority has deposited the copy under section 85(3) above; and
 - (b) the list itself is not yet in force.
- (4) A requirement under subsection (1), (2) or (3) above must be complied with at a reasonable time and place and without payment being sought; but the information may be in documentary or other form, as the person or authority of whom the requirement is made thinks fit.
- (5) Where access is given under this section to information in documentary form the person to whom access is given may—
 - (a) make copies of (or of extracts from) the document;
 - (b) require a person having custody of the document to supply to him a photographic copy of (or of extracts from) the document.
- (6) Where access is given under this section to information in a form which is not documentary the person to whom access is given may—
 - (a) make transcripts of (or of extracts from) the information;
 - (b) require a person having control of access to the information to supply to him a copy in documentary form of (or of extracts from) the information.
- (7) If a reasonable charge is required for a facility under subsection (5) or (6) above, the subsection concerned shall not apply unless the person seeking to avail himself of the facility pays the charge.
- (8) If a person having custody of a document containing, or having control of access to, information access to which is sought under this section—
 - (a) intentionally obstructs a person in exercising a right under subsection (1), (2), (3), (5)(a) or (6)(a) above; or
 - (b) refuses to comply with a requirement under subsection (5)(b) or (6)(b) above, he shall be guilty of an offence and liable on summary conviction to a fine not exceeding level 2 on the standard scale.
- (9) It shall be a defence for a person charged with an offence under subsection (8) above to prove that he had a reasonable excuse for acting as he did.

92 Information about proposals and appeals

- (1) A person may, at a reasonable time and without making payment, inspect any proposal made or notice of appeal given under regulations made under section 87 above, if made or given as regards a list which is in force when inspection is sought or has been in force at any time in the preceding five years.
- (2) A person may—
 - (a) make copies of (or of extracts from) a document mentioned in subsection (1) above; or

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- (b) require a person having custody of such a document to supply to him a photographic copy of (or of extracts from) the document.
- (3) If a reasonable charge is required for a facility under subsection (2) above, that subsection shall not apply unless the person seeking to avail himself of the facility pays the charge.
- (4) If a person having custody of a document mentioned in subsection (1) above—
 - (a) intentionally obstructs a person in exercising a right under subsection (1) or (2)(a) above; or
 - (b) refuses to supply a copy to a person entitled to it under subsection (2)(b) above,he shall be guilty of an offence and liable on summary conviction to a fine not exceeding level 2 on the standard scale.
- (5) It shall be a defence for a person charged with an offence under subsection (4) above to prove that he had a reasonable excuse for acting as he did.

Setting of the tax

93 Setting of council tax

- (1) In respect of the financial year 1993-94 and each subsequent financial year, a local authority shall—
 - (a) set an amount of regional, islands or district council tax, as appropriate, to be paid in respect of a chargeable dwelling in their area listed in valuation band D (whether or not there is such a dwelling in their area) as specified in section 74(2) above;
 - (b) determine the amount of council tax to be paid in respect of a chargeable dwelling in each of the other valuation bands specified in that section in accordance with the proportion mentioned in subsection (1) of that section,and references in this Part to the setting of a council tax or of an amount of council tax shall be construed as references to the setting of the amount mentioned in paragraph (a) above.
- (2) A local authority shall set its council tax before 11th March in the financial year preceding that for which it is set but it is not invalid merely because it is set on or after that date.
- (3) The amounts mentioned in paragraphs (a) and (b) of subsection (1) above shall be such as will provide sufficient money to meet such part of the total estimated expenses to be incurred by that authority during the financial year in respect of which the amount is set as falls to be met out of their council tax, together with such additional sum as is, in their opinion, required—
 - (a) to cover expenses previously incurred;
 - (b) to meet contingencies;
 - (c) to meet any expenses which may fall to be met before the money to be received in respect of their council tax for the next following financial year will become available.
- (4) In calculating, for the purposes of subsection (3) above, such part of the total estimated expenses to be incurred by a local authority as falls to be met out of council tax, account

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shall be taken of any means by which those expenses may otherwise be met or provided for.

94 Substituted and reduced settings

- (1) Subject to subsection (3) below, a local authority may set, in substitution for an amount of council tax already set or deemed to have been set, a lesser amount of council tax for the same financial year.
- (2) Schedule 7 to this Act has effect for the purpose of making provision as to the reduction of council tax where the Secretary of State is satisfied, in accordance with that Schedule, that the total estimated expenses mentioned in section 93(3) above of a local authority are excessive or that an increase in those expenses is excessive.
- (3) A local authority may not set a substitute amount of council tax during the period between the approval by the House of Commons of a report in respect of that authority made by the Secretary of State under paragraph 1 of that Schedule and the setting or deemed setting of a reduced amount of council tax under paragraph 3 of that Schedule.
- (4) Section 93(2) above shall not apply for the purposes of this section.
- (5) A local authority who, in respect of any financial year, set (or are deemed to have set) a substituted or reduced council tax shall neither wholly nor partially offset the difference between—
 - (a) the amount produced by that substituted or reduced setting; and
 - (b) the amount which would have been produced had they not substituted or reduced their setting,
 with sums advanced from their loans fund established under Schedule 3 to the 1975 Act:

Provided that such offsetting may nevertheless be permitted by the Secretary of State in any case on such terms and conditions as he considers appropriate.
- (6) If the Secretary of State is of the opinion that subsection (5) above, or any term or condition imposed under the proviso thereto, has been contravened, the local authority shall, on such opinion being intimated to them, reimburse their loans fund forthwith or within such time as the Secretary of State may allow.
- (7) Anything paid by reference to one setting of council tax shall be treated as paid by reference to a substitute setting under subsection (1) above or a reduced setting or deemed setting by virtue of paragraph 3 of Schedule 7 to this Act.
- (8) Where a person has paid by reference to one setting of council tax more than is due under a substituted or reduced setting—
 - (a) the balance shall be repaid to the person if he so requires;
 - (b) in any other case the balance shall (as the levying authority determine) either be repaid to the person or be credited against any subsequent liability of the person to pay in respect of any council tax due to the authority.
- (9) Where—
 - (a) a substitute amount of council tax has been set under subsection (1) above; or
 - (b) a reduced amount of council tax has been set or been deemed to have been set under paragraph 3 of that Schedule,

the regional council shall levy and collect that substituted or reduced amount in place of the previous amount of council tax and may recover from the district council any administrative expenses incurred in so doing in relation to a substituted or reduced amount of district council tax.

95 District council tax: setting and collection

- (1) In relation to each financial year, a regional council shall estimate the amount which would be produced by each of the district council taxes for that year in each district in their region as that amount falls to be ascertained in pursuance of regulations made under subsection (6) below.
- (2) For the purpose of making the estimate mentioned in subsection (1) above, the regional council shall assume that in respect of the financial year concerned both the regional council and the district council set £1, or such other amount as may be prescribed, as the amount mentioned in section 93(1)(a) above.
- (3) The regional council shall, before such date as may be prescribed in relation to each financial year, notify the council of each district in their region of the estimate made under subsection (1) above in relation to that district for that financial year.
- (4) In respect of the financial year 1993-94 and each subsequent financial year, every district council shall, within two days of the date mentioned in section 93(2) above, intimate to the regional council within whose region their district falls—
 - (a) the amount of district council tax they have set; and
 - (b) such further information with respect to the district council tax as may reasonably be needed by the regional council for the purpose of issuing notices in accordance with regulations made under paragraph 2 of Schedule 2 to this Act.
- (5) A regional council shall be liable to pay to the council of each district in their region, in respect of the district council tax for any financial year, the amount produced in the district by that tax; and shall, in accordance with such arrangements as may be prescribed, make payments to the district council on account of that liability.
- (6) For the purposes of subsection (5) above, the amount produced in a district by the district council tax for a financial year shall, subject to subsection (7) below, be ascertained after the end of that year in such manner as may be prescribed, and—
 - (a) if that amount exceeds the aggregate amount of payments on account made under subsection (5) above, the balance shall be paid by the regional council to the district council; and
 - (b) if that amount is less than the said aggregate amount, the balance shall be set off against payments on account under subsection (5) above in respect of the next following financial year.
- (7) The Secretary of State may prescribe what deductions are to be made in estimating and ascertaining the amount produced by each of the regional and district council taxes levied by a regional council.
- (8) There shall be taken into account, in the calculation of the amount which a regional council are liable, under subsection (5) above, to pay to a district council, the amount of any council tax and council water charge which has been collected by the district council under paragraph 19 of Schedule 2 to this Act and is due but has not been paid to the regional council.

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- (9) The amount which a regional council are liable to pay under subsection (5) above to a district council shall, if not paid by such date as may be prescribed, attract interest at such rate as may be prescribed.

96 Information

- (1) Within 21 days after setting a council tax, a local authority shall publish in at least one newspaper circulating in their area a notice of—
- (a) the provision of this Act under which the council tax has been set; and
 - (b) the amounts payable in respect of chargeable dwellings in each valuation band.
- (2) Failure to comply with subsection (1) above does not make the setting of an amount invalid.

Levying and collection of the tax

97 Levying and collection of council tax

- (1) An islands authority shall levy and collect the islands council tax set by them in respect of their area.
- (2) A regional authority shall levy and collect—
- (a) the regional council tax set by them in respect of their area; and
 - (b) the district council tax set by each district in their area.
- (3) Schedule 2 to this Act (which contains provisions about administration, including collection) shall have effect.
- (4) Schedule 3 to this Act (which contains provisions about civil penalties) shall have effect.
- (5) Schedule 8 to this Act (which contains provisions about the recovery of sums due, including sums due as penalties) shall have effect.

Miscellaneous and supplemental

98 Information required by Secretary of State

- (1) Subsection (2) below applies where—
- (a) the Secretary of State serves a notice on a levying authority requiring them to supply to the Secretary of State information specified in the notice;
 - (b) the information is in the possession or control of the authority and was obtained by them for the purpose of carrying out their functions under this Act; and
 - (c) the information is not personal information.
- (2) The authority shall supply the information required, and shall do so in such form and manner and at such time as the Secretary of State specifies in the notice.
- (3) Personal information is information which relates to an individual (living or dead) who can be identified from that information or from that and other information supplied

by the authority; and personal information includes any expression of opinion about the individual and any indication of the intentions of any person in respect of the individual.

99 Interpretation of Part II

- (1) In this Part and in sections 107 to 112 below, unless the context otherwise requires—
- “the 1947 Act” means the Local Government (Scotland) Act 1947;
 - “the 1956 Act” means the Valuation and Rating (Scotland) Act 1956;
 - “the 1968 Act” means the Sewerage (Scotland) Act 1968;
 - “the 1973 Act” means the Local Government (Scotland) Act 1973;
 - “the 1975 Act” means the Local Government (Scotland) Act 1975;
 - “the 1980 Act” means the Water (Scotland) Act 1980;
 - “the Valuation Acts” means the Lands Valuation (Scotland) Act 1854, the Acts amending that Act, and any other enactment relating to valuation;
 - “apportionment note” has the meaning assigned to it in paragraph 1 of Schedule 5 to this Act;
 - “council tax” shall be construed in accordance with the provisions of section 70(1) above;
 - “council water charge” shall be construed in accordance with the provisions of paragraph 6 of Schedule 11 to this Act;
 - “levying authority” means a regional or islands council;
 - “local authority”, except in Schedule 11, means a regional, islands or district council;
 - “housing body” means—
 - (a) a district council;
 - (b) a development corporation (within the meaning of the New Towns (Scotland) Act 1968); or
 - (c) Scottish Homes;
 - “part residential subjects” means lands and heritages which are used partly as the sole or main residence of any person, other than—
 - (a) dwellings (except the residential part of part residential subjects);
 - (b) such other class or classes of lands and heritages as may be prescribed;
 - “public sewage treatment works” has the meaning assigned to it in section 59(1) of the 1968 Act;
 - “public sewer” has the meaning assigned to it in section 59(1) of the 1968 Act;
 - “rateable value” shall be construed in accordance with the provisions of section 6 of the 1956 Act;
 - “resident”, in relation to any dwelling, means an individual who has attained the age of 18 years and has his sole or main residence in the dwelling; and cognate expressions shall be construed accordingly;
 - “valuation appeal committee” means a valuation appeal committee established under section 4 of the 1975 Act;
 - “water authority” has the meaning assigned to it in section 3 of the 1980 Act.

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- (2) In this Part and sections 107 to 112 below and in any other enactment, whether passed or made before or after the passing of this Act, and unless the context otherwise requires—
- (a) the word “rate” shall mean—
 - (i) the non-domestic rate;
 - (ii) the non-domestic water rate; and
 - (iii) the non-domestic sewerage rate;
 - (b) the expression “non-domestic rate” shall be construed in accordance with the provisions of section 37 of the 1975 Act;
 - (c) the expression “non-domestic water rate” shall be construed in accordance with the provisions of section 40 of the 1980 Act; and
 - (d) the expression “non-domestic sewerage rate” shall be construed in accordance with the provisions of paragraph 19 of Schedule 11 to this Act,
- and cognate expressions shall be construed accordingly.
- (3) In this Part—
- (a) any reference to dwellings listed in a particular valuation band shall be construed in accordance with section 74(5) above; and
 - (b) any reference to an amount payable in respect of council tax for any financial year includes a reference to an amount payable in respect of council tax for any period falling within that year.

PART III

COMMUNITY CHARGES

100 Abolition of community charges

- (1) No person shall be subject to a community charge in respect of any day falling after 31st March 1993.
- (2) In this section “community charge” means—
- (a) in relation to England and Wales, any community charge provided for by the 1988 Act;
 - (b) in relation to Scotland, any community charge or community water charge provided for by the 1987 Act.

101 Transitory exemption for school leavers

- (1) After paragraph 5 of Schedule 1 to the 1988 Act (personal community charge: exemption) there shall be inserted the following paragraph—

“School leavers

- 5A A person is an exempt individual on a particular day if—
- (a) he is aged under 20 on the day,
 - (b) the day falls within the period of 6 months beginning with 1 May 1992,

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- (c) immediately before that date he was undertaking a qualifying course of education, and
 - (d) the course was not undertaken in consequence of an office or employment held by him.”
- (2) After sub-paragraph (1) of paragraph 6A of Schedule 1A to the 1987 Act (personal community charge: exemption) there shall be inserted the following sub-paragraph—
- “(1A) If such a person as is mentioned in sub-paragraph (1) above ceases to undertake such a course of education on or after 30th April 1992, he shall continue to be exempt until the start of the earlier of the following days—
- (a) 1st November 1992,
 - (b) his twentieth birthday.”

102 Transitory enforcement provisions for England and Wales

- (1) Schedule 4 to the 1988 Act (community charges: enforcement) shall be amended as follows.
- (2) In paragraph 7 (distress), after sub-paragraph (3) there shall be inserted the following sub-paragraph—
- “(3A) The regulations may include provision that—
- (a) no person shall make a distress unless he is an officer of the authority concerned, or he is a person of a prescribed description and any prescribed conditions are fulfilled;
 - (b) no person making a distress shall seize goods of a prescribed description.”
- (3) In paragraph 8 (commitment to prison), in sub-paragraph (1)(a), for the words “it appears to the authority that no (or insufficient) goods of the debtor can be found” there shall be substituted the words “the person making the distress reports to the authority that he was unable (for whatever reason) to find any or sufficient goods of the debtor”.
- (4) After paragraph 13 there shall be inserted the following paragraph—

“Admissibility of evidence

- 13A (1) Regulations under this Schedule may include provision that, in any proceedings before a magistrates' court under any provision included by virtue of the preceding provisions of this Part of this Schedule—
- (a) a statement contained in a document of record shall be admissible as evidence of any fact stated in it of which direct oral evidence would be admissible; and
 - (b) a certificate which is made with respect to a document of record produced by a computer and purports to be signed by a responsible person shall be admissible as evidence of anything which is stated in it to the best of his information and belief.
- (2) In this paragraph—
- “document of record” means a document constituting or forming part of a record compiled by the authority concerned;

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“responsible person” means a person occupying a responsible position in relation to the operation of the computer;

“statement” includes any representation of fact, whether made in words or otherwise.”

- (5) In paragraph 15 (joint and several liability), in sub-paragraph (3), for the words “it appears to the authority concerned that no (or insufficient) goods of that person can be found” there shall be substituted the words “the person making the distress reports to the authority that he was unable (for whatever reason) to find any or sufficient goods of the chargeable person”.

PART IV

MISCELLANEOUS

Social security

103 Council tax benefit

Schedule 9 to this Act (which amends the Social Security Acts so as to make provision for benefit in respect of council tax in Great Britain) shall have effect.

English and Welsh provisions

104 Non-domestic rating, grants and funds

Schedule 10 to this Act (which amends the provisions of the 1988 Act relating to non-domestic rating, grants and funds) shall have effect.

105 Grants to voluntary organisations

In section 48 of the Local Government Act 1985 (grants to voluntary organisations), after subsection (4) there shall be inserted the following subsection—

“(4A) The Secretary of State may by order provide that if—

- (a) a scheme requires the total expenditure to be incurred under the scheme in any financial year—
 - (i) in the making of grants; and
 - (ii) in the discharging by the designated council of its functions under the scheme,

to be approved in accordance with the scheme by some or all of the constituent councils; and

- (b) the total expenditure to be incurred in any financial year is not approved as required by the scheme before such date as may be specified in relation to that financial year in the order,

the constituent councils shall be deemed, subject to any order which has been or may be made under subsection (5) below, all to have given their approval for that financial year to total expenditure of an amount equal to the amount

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that was approved or, as the case may be, deemed to have been approved for the preceding financial year.”

106 Council tax and community charges: restrictions on voting

- (1) This section applies at any time to a member of a local authority, or a member of a committee of a local authority or of a joint committee of two or more local authorities (including in either case a sub-committee), if at that time—
 - (a) a sum falling within paragraph 1(1)(a) of Schedule 4 to this Act; or
 - (b) a sum falling within paragraph 1(1)(a), (b), (d) or (ee) of Schedule 4 to the 1988 Act (corresponding provisions with respect to community charges),has become payable by him and has remained unpaid for at least two months.
- (2) Subject to subsection (5) below, if a member to whom this section applies is present at a meeting of the authority or committee at which any of the following matters is the subject of consideration, namely—
 - (a) any calculation required by Chapter III, IV or V of Part I of this Act;
 - (b) any recommendation, resolution or other decision which might affect the making of any such calculation; or
 - (c) the exercise of any functions under Schedules 2 to 4 to this Act or Schedules 2 to 4 to the 1988 Act (corresponding provisions with respect to community charges),he shall at the meeting and as soon as practicable after its commencement disclose the fact that this section applies to him and shall not vote on any question with respect to the matter.
- (3) If a person fails to comply with subsection (2) above, he shall for each offence be liable on summary conviction to a fine not exceeding level 3 on the standard scale, unless he proves that he did not know—
 - (a) that this section applied to him at the time of the meeting; or
 - (b) that the matter in question was the subject of consideration at the meeting.
- (4) A prosecution for an offence under this section shall not be instituted except by or on behalf of the Director of Public Prosecutions.
- (5) Subsections (1) to (3) of section 97 of the Local Government Act 1972 (removal or exclusion of liability etc.) shall apply in relation to this section and any disability imposed by it as they apply in relation to section 94 of that Act and any disability imposed by that section.
- (6) In this section “local authority” has the same meaning as in sections 94 and 97 of the Local Government Act 1972.

Scottish provisions

107 Water and sewerage charges

- (1) Parts I to III of Schedule 11 to this Act shall have effect in relation to water and sewerage charges in respect of the financial year 1993-94 and subsequent financial years.

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- (2) The 1980 Act shall have effect subject to the amendments made in Part IV of that Schedule.

108 Payments to local authorities by Secretary of State

- (1) The Secretary of State may, in respect of the financial year 1993-94 and each subsequent financial year—
- (a) make grants, (to be known as “revenue support grants”) to local authorities; and
 - (b) distribute among local authorities the money recovered by way of non-domestic rates (“non-domestic-rate income”) in that financial year.
- (2) Schedule 12 to this Act has effect in relation to revenue support grant and the recovery and distribution of non-domestic rate income.

109 Council tax grants

- (1) If regulations under section 80 above have effect in respect of a financial year the Secretary of State may, with the consent of the Treasury, pay a grant to a levying authority as regards that financial year.
- (2) The amount of the grant shall be such as the Secretary of State may with the consent of the Treasury determine.
- (3) A grant under this section shall be paid at such time, or in instalments of such amounts and at such times, as the Secretary of State may with the consent of the Treasury determine.
- (4) In making any payment of grant under this section the Secretary of State may impose such conditions as he may with the consent of the Treasury determine; and the conditions may relate to the repayment in specified circumstances of all or part of the amount paid.
- (5) In deciding whether to pay a grant under this section, and in determining the amount of any such grant, the Secretary of State shall have regard to his estimate of any amount which, in consequence of the regulations, the authority might reasonably be expected to lose, or to have lost, by way of payments in respect of council tax as it has effect for the financial year concerned.

110 Amendments to the 1975 Act in relation to non-domestic rates

- (1) After section 7 of the 1975 Act there shall be inserted the following section—

“7A Provisions as to setting of non-domestic rates

- (1) The Secretary of State shall, in respect of the financial year 1993-94 and each subsequent financial year, prescribe for each local authority a rate which shall be their non-domestic rate in respect of that year.
- (2) Non-domestic rates shall be levied in accordance with section 7 of this Act by each rating authority in respect of lands and heritages—
- (a) which are subjects (other than part residential subjects) in respect of which there is an entry in the valuation roll, according to their rateable

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- value or, where a rateable value has been prescribed or determined in respect of the lands and heritages under section 128 of the Local Government Finance Act 1988, according to that rateable value; or
- (b) which are part residential subjects, according to that part of their rateable value which is shown in the apportionment note as relating to the non-residential use of those subjects or, where a rateable value has been prescribed or determined in respect of the lands and heritages under section 128 of the Local Government Finance Act 1988, according to that part of that rateable value which is so shown in the apportionment note.
- (3) The rates prescribed under subsection (1) above shall be known—
- (a) in the case of the regional council, as the non-domestic regional rate;
- (b) in the case of the district council, as the non-domestic district rate; and
- (c) in the case of the islands council, as the non-domestic islands rate.
- (4) References (however expressed) in any enactment to the non-domestic rate determined by a local authority shall be construed as references to the non-domestic rate prescribed for the local authority under this section.
- (5) A statutory instrument containing any order under this section shall be subject to annulment in pursuance of a resolution of either House of Parliament.”
- (2) For section 7A of the 1975 Act there shall be substituted the following section—

“7B Provisions as to setting of non-domestic rates

- (1) The Secretary of State shall, in respect of the financial year following that in which this subsection comes into force and each subsequent financial year, prescribe a rate which shall be the non-domestic rate to be levied throughout Scotland in respect of that financial year.
- (2) Subject to subsection (3) below, non-domestic rates shall be levied in accordance with section 7 of this Act by each rating authority in respect of lands and heritages in their area, being lands and heritages—
- (a) which are subjects (other than part residential subjects) in respect of which there is an entry in the valuation roll, according to their rateable value or, where a rateable value has been prescribed or determined in respect of the lands and heritages under section 128 of the Local Government Finance Act 1988, according to that rateable value; or
- (b) which are part residential subjects, according to that part of their rateable value which is shown in the apportionment note as relating to the non-residential use of those subjects or, where a rateable value has been prescribed or determined in respect of the lands and heritages under section 128 of the Local Government Finance Act 1988, according to that part of that rateable value which is so shown in the apportionment note.
- (3) In the application of section 7 of this Act to the levying of the non-domestic rate prescribed under this section, for the words “to which the rate relates” in each of subsections (1) and (2) of that section there shall be substituted the words “of the rating authority”.

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- (4) References (however expressed) in any enactment to the non-domestic rate determined by a local authority shall be construed as references to the non-domestic rate prescribed under this section.
- (5) A statutory instrument containing any order under this section shall be subject to annulment in pursuance of a resolution of either House of Parliament.”
- (3) In section 37 (interpretation) of the 1975 Act, in the definition of “non-domestic rate”, for “section 7A” there shall be substituted “section 7B”.
- (4) For section 9A of the 1975 Act (as inserted by paragraph 13 of Schedule 12 to the 1988 Act) there shall be substituted the following section—

“9A Interest on rates paid in error

- (1) Subject to regulations made under this section—
 - (a) where any amount has been paid to a rating authority in respect of rates either—
 - (i) in error; or
 - (ii) in consequence of the entry on to the valuation roll of a valuation which is subsequently reduced,
 and the rating authority repay the amount, the authority shall also pay to the person to whom the repayment is made interest on the amount; and
 - (b) where any amount has been repaid to any person by a rating authority either—
 - (i) in error; or
 - (ii) in consequence of the entry on to the valuation roll of a valuation which is subsequently increased,
 and the rating authority recover the amount, the authority may also recover from that person any interest paid on that amount.
- (2) The Secretary of State may by regulations make provision as to—
 - (a) the circumstances in which interest is to be payable or recoverable by a rating authority;
 - (b) the rate at which any interest is to be paid, or the manner in which such rate is to be determined; and
 - (c) the date or dates from which, or by reference to which, any payment of interest is to run.
- (3) This section applies to any payments such as are mentioned in subsection (1) which were made—
 - (a) after 1st April 1990; and
 - (b) before the coming into force of this section,
 as it applies to such payments made after the coming into force of this section; but does not entitle any person to receive any payment of interest in respect of any such payment made before 1st April 1990.
- (4) Regulations made under this section may provide for the deduction from any sum paid by way of interest under or by virtue of this section of any sum

previously paid under or by virtue of any other enactment by way of interest in respect of the same payment.

- (5) Regulations under this section—
- (a) may make different provision in relation to different cases or descriptions of case;
 - (b) may include such transitional provisions as appear to the Secretary of State to be necessary or expedient; and
 - (c) shall be made by statutory instrument subject to annulment in pursuance of a resolution of either House of Parliament.”

111 Statutory and other references to rateable values etc

- (1) Where—
- (a) in any deed relating to heritable property executed before 1st April 1989 there is any provision which apportions any liability according to the assessed rental or, as the case may be, the gross annual, net annual or rateable value of any properties; and
 - (b) all the properties involved in the apportionment appear in the valuation roll in force immediately before 1st April 1989; and
 - (c) one or more of the properties constitute dwellings,
- then, with effect from 1st April 1989, any reference to the assessed rental or, as the case may be, to any of those values in any such deed shall, unless the context otherwise requires, be construed as a reference to the net annual value or, as the case may be, to the gross annual, net annual or rateable value which appears in relation to any of those properties in the valuation roll in force immediately before that date.
- (2) Where in any document executed before 1st April 1989 there is a reference to the assessed rental or, as the case may be, to the gross annual, net annual or rateable value of any property which—
- (a) constitutes a dwelling; and
 - (b) appears in the valuation roll in force immediately before 1st April 1989,
- then, with effect from that date that reference shall, unless the context otherwise requires, be construed as a reference to the net annual value or, as the case may be, to the gross annual, net annual or rateable value which appears in relation to that property in the valuation roll in force immediately before that date.
- (3) Subject to subsection (4) below, where in any enactment (including an enactment contained in a subordinate instrument) there is a reference to the gross annual value, net annual value or rateable value of any property which constitutes a dwelling, then, with effect from 1st April 1989, that reference shall, unless the context otherwise requires, be construed as a reference to the gross annual value, net annual value or rateable value—
- (a) subject to subsection (6) below, which appears in relation to that property in the valuation roll in force immediately before that date; or
 - (b) subject to subsection (7) below, in the case of such property which does not come into existence or occupancy as a dwelling until after that date, which would have appeared in the roll in respect of it had it been in existence or occupancy as such immediately before that date.
- (4) Where in any enactment (including an enactment contained in a subordinate instrument or an enactment which falls to be construed in accordance with

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subsection (3) above) there is a reference to a rate or rateable value or to any factor connected with rating, or valuation for rating, the Secretary of State may make regulations providing that the reference shall instead be such as is prescribed.

- (5) Regulations may provide as mentioned in subsection (4) above—
- (a) as regards such enactment, or enactments of such description, as may be prescribed;
 - (b) in such way as the Secretary of State thinks fit (whether by amending enactments or otherwise).
- (6) Where, before or after 1st April 1989, there is a material change of circumstances, within the meaning of section 37(1) of the 1975 Act—
- (a) in relation to any such property as is mentioned in subsection (3)(a) above; and
 - (b) in respect of which no alteration has been made to the valuation roll in force immediately before that date,

references in that subsection to the gross annual, net annual or rateable value of that property which appears in the roll in force immediately before that date shall be construed as references to the gross annual, net annual or rateable value which would have so appeared had that roll been altered to take account of that material change of circumstances.

- (7) Where there is a material change of circumstances, within the meaning of section 37(1) of the 1975 Act, in relation to any such property as is mentioned in subsection (3) (b) above, references in that subsection to the gross annual, net annual or rateable value of that property which would have appeared in respect of it in the roll in force immediately before 1st April 1989 shall be construed as references to the gross annual, net annual or rateable value which would have so appeared had that material change of circumstances been taken into account.
- (8) The assessor shall, at the request of any person and on payment of such fee as may be prescribed, certify—
- (a) what would have appeared in the valuation roll in force immediately before 1st April 1989 as the gross annual value, net annual value or rateable value of any such property as is mentioned in subsection (3)(b) above; or
 - (b) what would have appeared in that roll as the gross annual value, net annual value or rateable value of any such property as is mentioned in subsection (3) above had that roll been altered to take account of any material change of circumstances, within the meaning of section 37(1) of the 1975 Act, occurring before or after that date.
- (9) An appeal shall lie—
- (a) against any certificate issued by the assessor under subsection (8) above; or
 - (b) against any refusal by the assessor to issue a certificate under that subsection, and the provisions of the Valuation Acts in regards to appeals and complaints shall apply, subject to such modifications and adaptations as may be prescribed, for the purposes of this subsection.
- (10) Without prejudice to section 35 of the Lands Valuation (Scotland) Act 1854 (which relates to the preservation of valuation rolls by the Keeper of the Records of Scotland), the assessor for each valuation area shall retain a copy of the valuation roll in force immediately before 1st April 1989 for the purposes of this Act; and the copy so retained shall be made available for public inspection at the assessor's offices during ordinary business hours.

- (11) Where the net annual value of any property does not appear, or would not have appeared, in the valuation roll in force immediately before 1st April 1989, references in this section to the appearance in that roll of the net annual value of that property shall be taken as references to the appearance of its rateable value.
- (12) For the purposes of this section “gross annual value”, “net annual value” and “rateable value” shall continue to be construed in accordance with the provisions of section 6 of the 1956 Act as those provisions had effect immediately before 1st April 1989.

112 Council tax and community charges: restrictions on voting

- (1) This section applies at any time to a member of a local authority, or a member of a committee of a local authority or of a joint committee of two or more local authorities (including in either case a sub-committee), if at that time—
- (a) a sum falling within paragraph 1(1)(a) of Schedule 8 to this Act (including a sum falling within that paragraph by virtue of paragraph 11 of Schedule 11 to this Act) has become payable by him and has remained unpaid for at least two months; or
 - (b) a sum falling within paragraph—
 - (i) 4 or 5 of Schedule 2 (collection etc. of community charges); or
 - (ii) 11 of Schedule 5 (as read with the said paragraphs 4 and 5),to the 1987 Act has become payable by him and has remained unpaid for at least three months.
- (2) Subject to subsection (4) below, if a member to whom this section applies is present at a meeting of the authority or committee at which any of the following matters is the subject of consideration, namely—
- (a) the setting of council tax under section 93(1)(a) above;
 - (b) the substitute setting of council tax under section 94(1) above;
 - (c) a reduced or deemed setting under paragraph 3 of Schedule 7 to this Act;
 - (d) the setting of council water charge under paragraph 9(a) of Schedule 11 to this Act; or
 - (e) the exercise of any functions under Schedule 2, 3 or 8 or paragraph 11 of Schedule 11 to this Act, or Schedule 2 or paragraph 11 of Schedule 5 to the 1987 Act,
- he shall at the meeting and as soon as practicable after its commencement disclose the fact that this section applies to him and shall not vote on any question with respect to the matter.
- (3) If a person fails to comply with subsection (2) above, he shall be guilty of an offence, and shall for each offence be liable on summary conviction to a fine not exceeding level 3 on the standard scale, unless he proves that he did not know—
- (a) that this section applied to him at the time of the meeting; or
 - (b) that the matter in question was the subject of consideration at the meeting.
- (4) Subsections (1) to (3) of section 41 (removal or exclusion of disability) of the 1973 Act shall apply in relation to this section and any disability imposed by it as they apply in relation to section 38 (provision as to disability of members of authorities from voting) of that Act and any disability imposed by that section.

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PART V

SUPPLEMENTAL

113 Orders and regulations

- (1) Any power of the Secretary of State or the Treasury under this Act to make orders or regulations (other than the power to make orders under section 54(6) above) may be so exercised as to make different provision for different cases or descriptions of case, including different provision for different areas or for different authorities.
- (2) Any power of the Secretary of State or the Treasury under this Act to make orders or regulations includes power to make such incidental, consequential, transitional or supplementary provision as he or they think necessary or expedient.
- (3) Any power of the Secretary of State or the Treasury under this Act to make orders or regulations shall be exercisable by statutory instrument which, except in the case of orders under—
 - (a) section 5(4), 11(3), 54(6), 57(2), 59(2), 74(3) or 79(3) above;
 - (b) section 119(2) below; or
 - (c) paragraph 1 of Schedule 12 to this Act,shall be subject to annulment in pursuance of a resolution of either House of Parliament.

114 Power to make supplementary provision

- (1) The Secretary of State may at any time by order make such supplementary, incidental, consequential or transitional provision as appears to him to be necessary or expedient for the general purposes or any particular purposes of this Act or in consequence of any of its provisions or for giving full effect to it.
- (2) An order under this section may in particular make provision for amending, repealing or revoking (with or without savings) any provision of an Act passed before or in the same session as this Act, or of an instrument made under an Act before the passing of this Act, and for making savings or additional savings from the effect of any amendment or repeal made by this Act.
- (3) Any provision that may be made under this section shall be in addition and without prejudice to any other provision of this Act.
- (4) No other provision of this Act shall be construed as prejudicing the generality of the powers conferred by this section.
- (5) In this section “Act” includes a private or local Act.

115 Financial provisions

- (1) There shall be paid out of money provided by Parliament—
 - (a) any sums required to enable valuations to be carried out in accordance with Part I or II of this Act;
 - (b) any expenses of the Secretary of State incurred in consequence of this Act; and
 - (c) any increase attributable to this Act in the sums payable out of money so provided under any other enactment.

- (2) There shall be paid into the Consolidated Fund—
 - (a) any sums received by the Secretary of State in consequence of this Act; and
 - (b) any increase attributable to this Act in the sums payable into that Fund under any other enactment.

116 Interpretation: general

- (1) In this Act, unless the context otherwise requires—
 - “the 1987 Act” means the Abolition of Domestic Rates Etc. (Scotland) Act 1987;
 - “the 1988 Act” means the Local Government Finance Act 1988;
 - “the Social Security Acts” means the Social Security Contributions and Benefits Act 1992 and the Social Security Administration Act 1992;
 - “financial year” means any period of twelve months beginning with 1st April;
 - “information” includes accounts, estimates and returns;
 - “prescribed” means prescribed by regulations made by the Secretary of State.
- (2) Nothing in any private or local Act (whenever passed) shall in any way affect the operation of this Act or of anything done under it.

117 Minor and consequential amendments and repeals

- (1) The enactments mentioned in Schedule 13 to this Act shall have effect subject to the amendments there specified (being minor amendments and amendments consequential on the provisions of this Act).
- (2) The enactments mentioned in Schedule 14 to this Act (which include some that are spent or no longer of practical utility) are hereby repealed to the extent specified in the third column of that Schedule.

118 Savings and transitional provisions

- (1) Nothing in this Act (except sections 101 and 102) shall affect the operation of the 1988 Act in relation to any community charge in respect of a day falling before 1st April 1993; and nothing in this Act (except paragraphs 1 to 4 and 6(11) of Schedule 10) shall affect the operation of that Act in relation to any financial year beginning before that date.
- (2) Nothing in this Act (except section 101) shall affect the operation of the 1987 Act in relation to any community charge in respect of a day falling before 1st April 1993.
- (3) The repeal by this Act of the 1987 Act shall not affect any amendment made by that Act to any other enactment; and the repeal by this Act of any enactment amending that Act shall not affect any amendment so made to that Act.
- (4) Nothing in this Act shall affect the operation of the Social Security Acts in relation to any community charge benefit in respect of a day falling before 1st April 1993.
- (5) In relation to any time before the commencement of the Social Security Acts, this Act and the repealed enactments shall have effect as if—

Status: This is the original version (as it was originally enacted).

- (a) any reference in this Act to those Acts were a reference to those enactments;
 - (b) any reference in this Act (except paragraph 4 of Schedule 9) to either of those Acts, or to any provision of those Acts, were a reference to the corresponding provisions or provision of those enactments;
 - (c) subsections (1) to (7) of the section set out in paragraph 4 of Schedule 9 to this Act were substituted for subsections (8A), (8AA) and (8B) to (8F), and subsection (11) of that section were substituted for subsections (8G) and (8H), of section 20 of the Social Security Act 1986; and
 - (d) subsections (8) and (9) of the section so set out were substituted for subsections (5A) and (5B), and paragraphs (a) and (b) of subsection (10) of that section were substituted for paragraph (c) of subsection (6), of section 21 of that Act.
- (6) The provisions of any regulations or orders relating to council tax benefit which—
- (a) are made before the commencement of the Social Security Acts; and
 - (b) are expressed to come into force after that commencement,
- may refer to any relevant provisions of those Acts rather than to the corresponding provisions of the repealed enactments.
- (7) In this section—
- “community charge” has the same meaning as in section 100 above;
 - “the repealed enactments” means the enactments repealed by the Social Security (Consequential Provisions) Act 1992;
- and any reference to an enactment includes a reference to any regulations or orders made (or having effect as if made) under that enactment.

119 Short title, commencement and extent

- (1) This Act may be cited as the Local Government Finance Act 1992.
- (2) The following provisions of this Act, namely—
 - (a) sections 99(2), 110 and 111;
 - (b) paragraphs 1 to 4 of Schedule 10;
 - (c) paragraphs 29(a), 30, 31(b), 32 to 37 and 38(a), (b), (c) and (e) of Schedule 11;
 - (d) Schedule 13 except paragraphs 15 to 25, 31, 42, 44(c), 45 to 47, 59 to 74, 76 to 88, 92, 99 and 100; and
 - (e) Schedule 14 except the repeals in the 1988 Act (other than the repeals in Schedule 12) and the repeals in the Social Security Acts,
 shall not come into force until such day as the Secretary of State may by order appoint; and different days may be appointed for different provisions or for different purposes.
- (3) Part I of this Act, sections 102 and 104 to 106 above and Schedule 10 to this Act extend to England and Wales only.
- (4) Part II of this Act, sections 107 to 112 above and Schedules 11 and 12 to this Act extend to Scotland only.
- (5) This Act does not extend to Northern Ireland.