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## EXPLANATORY NOTE

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

Section 3 of the Local Government Finance Act 1992 (“the 1992 Act”) defines a dwelling for the purposes of the council tax provisions for England and Wales. Article 3 of the Council Tax (Chargeable Dwellings) Order 1992 requires a single property containing more than one self-contained unit to be treated as comprising the same number of dwellings as there are self-contained units. Article 2 of this Order omits reference to caravans and boats from the definition of “self-contained unit”, thus ensuring that a caravan or boat included in a single property is not treated as a dwelling.

Section 4 of the 1992 Act provides that the Secretary of State may prescribe by order classes of dwellings for which no council tax is payable. Article 3 amends the Council Tax (Exempt Dwellings) Order 1992 to add a new Class exempting certain dwellings of diplomats, or people who benefit from diplomatic immunity, and certain of their household members, if they satisfy the conditions specified. It also adds a new Class exempting a dwelling which is the sole or main residence of a dependent relative of a person resident in a dwelling within the same single property as that residence.

Section 11 of and Schedule 1 to the 1992 Act provides for descriptions of people resident in a dwelling to be disregarded in determining whether the amount of council tax payable in respect of the dwelling is subject to a discount. Paragraph 2 of Schedule 1 to the 1992 Act enables the Secretary of State to prescribe by order conditions to be fulfilled by a person who is severely mentally impaired if he is to be disregarded for the purpose of discount. Article 4 amends the Council Tax (Discount Disregards) Order 1992 to provide that a person who is severely mentally impaired is to be disregarded if he is entitled to a disability working allowance in the circumstances specified.