



COUNCIL TAX GUIDANCE NOTES

1. WHAT IS COUNCIL TAX?

The Council Tax contributes to the cost of services provided by Knowsley MBC, Merseyside Police, Merseyside Fire & Rescue Service and the Local Town & Parish Councils – these include local services such as education, refuse collection, libraries, police, environmental and health.

It is a tax payable on domestic property according to its value as at 1st April 1991. Each property has been placed in a Valuation band by the Valuation Office Agency of the Inland Revenues not by the Council.

2. WHO IS LIABLE FOR THE COUNCIL TAX?

The Local Government Finance Act 1992 sets out who is liable to pay Council Tax for a property. Where there is a resident aged 18 years or over in the property a name must be given in answer to **Section 1**. If the owner does not live in the property and rents it out, the tenant will be liable for payment.

The Law lists different types of liable persons, and these are shown below.

ORDER OF LIABLE PERSONS

The person liable is the one who comes highest on the list below:

- Resident owner of freehold
- Resident leaseholder
- Resident tenant
- Person licensed to occupy
- Any other resident
- Non-resident owner (unoccupied properties)

COUNCIL TAX LIABILITY FOR OWNERS

For certain classes of dwellings, the liable person for the Council Tax is the owner rather than the occupier. These classes are:

- A residential care, nursing home or hostel
- Residences inhabited by a religious community
- Residences of staff in domestic service who live in the same property as their employer
- Residences of ministers of religion from which they perform their duties
- Multiple occupation houses (Bedsits etc)

3. UNOCCUPIED PROPERTIES

A discount of 100% for a maximum period of 1 month from the last occupied date can be claimed on an empty and unfurnished property.

No discount is allowed on properties which remain unoccupied and unfurnished after the 1 month 100% discount period has ended. As of 01.04.13 an additional 50% Council Tax premium will be charged on properties that have remained unoccupied and unfurnished for a period of more than 2 years.

EXEMPT DOMESTIC PROPERTIES

B. Unoccupied properties which are owned by a charity (exempt for up to 6 months)

D. Properties which remain unoccupied whilst the previous occupant is in prison

E. Properties which are left empty by persons now residing and receiving care in a hospital or a registered care home.

F. Properties which are unoccupied following the death of the previous owner resident and where probate has not yet been granted or less than 6 months after probate has expired (unless transferred to a beneficiary)

G. Properties where occupation is prohibited by law

H. Properties which are unoccupied awaiting occupation by a Minister of Religion from which to perform his/her duties

I. Properties which are left empty because the former resident is receiving care elsewhere (other than in class E)

J. Properties which are unoccupied because the former resident lives elsewhere for the purposes of providing personal care to others

K. Properties which are unoccupied because the former resident is a student who lives elsewhere because of his/her studies

L. Properties which have been repossessed

M. Student halls of residence

N. Properties occupied solely by students as term time accommodation

O. Armed forces accommodation owned by the Secretary of State for Defence

P. Accommodation for members of visiting forces

Q. Properties which are the responsibility of a bankrupts trustee

R. A dwelling consisting of a pitch or a mooring which is not occupied by a caravan or, as the case may be, a boat

S. Properties occupied by a person or persons aged under 18

T. Unoccupied properties which form part of a single property which includes another dwelling and may not be let separately without a breach of planning control within the meaning of section 171A of the Town and Country Planning Act 1990 (d)

U. Properties occupied only by a person or persons who are severely mentally impaired

V. Properties occupied by diplomats or members of international organisations headquartered in the United Kingdom

W. An annexe or similar self-contained part of a property that is occupied by an elderly or disabled relative of the residents living in the rest of it (e.g. Granny annexes, etc.)

If you believe you qualify for any of the above or require any further information, please download an application form from our website (www.knowsley.gov.uk) and return with any requested evidence. Alternatively place the relevant exemption code on the reverse of the form and we will send a form in the post. A visit may be made to confirm eligibility.

4. COUNCIL TAX REDUCTION (MEANS TESTED)

If you or your partner are on a low income, you may be entitled to a reduction in the amount of council tax that you need to pay. For pensioners, support will be very similar to Council Tax Benefit but if you are working age you will have to pay at least 20% of your bill. Please indicate in Section 3 if you require a Council Tax Reduction form.

5. DISCOUNTS AND DISREGARDS

The Council Tax has a 50% property element and a 50% personal element based on the assumption that there are 2 adults aged 18 or over living in a domestic property. Where a property is unoccupied or occupied by only one eligible person a discount on the amount of Council Tax you pay is available.

The discount rates are:

- i) 0%** where the property is empty and requires or is undergoing structural alteration or major repair.
- ii) 50%** where the property is unoccupied but furnished (excluding exempt properties) and the owner's main residence is elsewhere as a condition of an employment contract in England, Wales or Scotland
- iii) 50%** where the property is occupied but all residents are disregarded for Council Tax purposes
- iv) 50%** annexes that are occupied by family members or are being used by the occupier of the main house as part of the main home
- v) 25%** where the property is occupied by more than one resident and all residents but one are disregarded for Council Tax purposes
- vi) 25%** where the property is occupied by only one resident aged 18 or over

People disregarded for Council Tax purposes are:

1. Resident Hospital Patients

Persons whose sole or main residence is in a N.H.S hospital

2. Persons who are Severely Mentally Impaired

As certified by a registered medical practitioner

3. Carers

- a. A person who lives in the same property as another person to whom they provide care for at least 35 hours a week on average (this does not apply to a spouse or parent caring for a child under the age of 18)
- b. A person living in a property who is employed for 24 hours or more a week as a volunteer care worker by a charity or similar institution and receives payment of no more than £30 a week

4. Any patient whose sole or main residence is a residential care home, nursing home or hostel

When resident in a registered home and receiving care or treatment in that home

5. Members of Religious Communities

Members of Religious Communities devoted to prayer, contemplation, education or the relief of suffering and who have no income or capital but are dependent on the community for support.

6. Persons in Detention

Detained in prison, a hospital or any other place, by virtue of an order of court

7. Foreign Diplomats and Foreign Service Personnel

Foreign diplomats, members of overseas forces and international headquarters staff and their families (for whom there are special arrangements under international agreements)

8. a. Students

Anyone who is a full-time student, or under 20 and still at school or in further education

b. Student Nurses

Undertaking a relevant course at a college of health or nursing and midwifery

c. Apprentices

Employed in learning a trade leading to a NCVQ

d. Youth Training Scheme

Undertaking training under Section 2 of the Employment and Training Act 1973

e. Spouses or dependants of students who are not British and are prevented from working or claiming benefits.

If you believe you qualify for any of the above or require further information please download an application form on our website and return with any requested evidence. Alternatively please place the relevant disregard code on the reverse of the form and we will send a form in the post. A visit may be made to confirm eligibility.

6. REDUCTION FOR DISABLED PERSONS

Where the dwelling is the sole of main residence of a disabled person and certain conditions are satisfied, the liable person will be taxed at the next lowest valuation band, except where the property is in a Band A, in which case a reduction 5/9 of the band D charge will be applied.

7. PENALTIES

Under Schedule 3 Local Government Finance Act 1992 as amended by LGFA (England, substitution of penalties) order 2008/9810 article 2 (wef 01/05/2008) a penalty of £70 can be imposed for any failure to supply or for providing false information within 21 days of a request. Where a penalty has been imposed and a further request made to supply the same information under the same provision a penalty of £280 will be charged.

8. PAYING THE COUNCIL TAX

Every Council Tax payer will have the right to pay the bill in ten or twelve monthly instalments in a full financial year. It can also be paid quarterly, half-yearly or annually if desired. Your chosen payment methods will be shown on your council tax bill. If you do not choose to change this, we will expect payment monthly, due on the first of each month.

Our Customer Services Contact Centre is open Monday, Tuesday, Thursday & Friday 9am to 5pm & Wednesday 9am -4pm. The main switchboard number is 0151 489 6000.

For more information or to download a form to apply for Council Tax exemptions and discounts please visit our website www.knowsley.gov.uk