Council Tax in Scotland - A Guide

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1. Introduction

On 1 April 1993, the council tax replaced the community charge ("poll tax") as the way people contribute to the cost of local authority services. This leaflet explains how the council tax works in Scotland. It is addressed mainly to those people who are liable for paying council tax bills but may be of interest to other members of the household.

Local authorities are still able to pursue you if your community charge payments remain in arrears

2. Key Points

- The council tax replaced the community charge on 1 April 1993.
- The bill for the council tax has a personal and a property element; it is based on the relative value of each house.
- There is a single bill for each house.
- The person liable to pay will usually be the owner-occupier or tenant of the property.
- Houses are placed in one of eight broad valuation bands according to their estimated market value as at 1 April 1991.
- Tax levels are set by local authorities.
- There are discounts of 25% for those living on their own.
- Benefit is available to assist those on low incomes with rebates of up to 100% on bills depending on people's circumstances. Benefit does not cover water and sewerage charges.

3. What is the council tax?

The council tax is a local tax set by each council to help to pay for the services they provide. There is only one bill for each house or other dwelling, but the adults living there may have to share the payment. The bill has a personal component and a property component; it is based on the value of your property relative to others in your local area. Bills may be reduced because of the personal circumstances of the people resident in the house.

4. Who has to pay the council tax?

Where a house is someone's sole or main residence, the owner-occupier or tenant will usually be liable for the council tax bill. For other houses, including empty property, holiday homes, etc; the tenant or owner will normally be liable.

The owner is also responsible in a limited number of cases in which it would be difficult to make the people living in the property liable. These include, for example, certain types of shared accommodation, accommodation within a larger house for people in domestic service, and certain property owned by religious orders. If you live in shared accommodation where the landlord is responsible for paying, he might require you to pay a contribution towards his bill as part of your rent.

In many cases one person alone will be liable for the council tax in respect of a house. But where two or more people are joint owners or joint tenants they will be jointly liable for the council tax regardless of whether the bill is sent to them in their joint names or just to one of
them. Where a liable person is living in the dwelling with their husband, wife or civil partner then generally both are jointly liable for the council tax bill. This also applies to individuals living together as civil partners or as a married couple.

5. How was my home valued?

Each house was valued by the Assessor. The Assessor prepared a valuation list which placed each dwelling within one of eight broad valuation bands. This is done on the same basis regardless of whether a house is owner-occupied or rented. The valuation bands for Scotland are set out in the table below.

<table>
<thead>
<tr>
<th>Range of Values (at 1 April 1991)</th>
<th>Band</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to £27,000</td>
<td>A</td>
</tr>
<tr>
<td>Over £27,000 and up to £35,000</td>
<td>B</td>
</tr>
<tr>
<td>Over £35,000 and up to £45,000</td>
<td>C</td>
</tr>
<tr>
<td>Over £45,000 and up to £58,000</td>
<td>D</td>
</tr>
<tr>
<td>Over £58,000 and up to £80,000</td>
<td>E</td>
</tr>
<tr>
<td>Over £80,000 and up to £106,000</td>
<td>F</td>
</tr>
<tr>
<td>Over £106,000 and up to £212,000</td>
<td>G</td>
</tr>
<tr>
<td>Over £212,000</td>
<td>H</td>
</tr>
</tbody>
</table>

The band in which each house was placed depended on its estimated market value as at 1 April 1991. The valuation however takes account of the physical state of the property and its locality at 1 April 1993. Your home is valued in this way in order to establish its relative value compared with other homes in its area. The effect of the valuation on the bill which has to be paid for each property is explained later in this leaflet.

6. How can I find out the valuation band of my house?

The valuation list is available at main Libraries, council offices and the local Assessor's office.

7. Will my home be revalued in future?

There are no plans to revalue everyone's house in the foreseeable future. Changes in the value of your home because of the general movement of house prices over the years will not affect its banding.

If the state of the local area changes for the worse - for example, because of an industrial or commercial development - your house, and others in the area, might be put into a lower band. There are also some cases where individual properties may be revalued and re-banded. If, for example, a house has an extension built after it has been valued, it will be revalued when it is next sold. Your house cannot be moved to a higher band due to an alteration after 1 April 1993 increasing its value unless it is sold. But if your house decreases in value because part of it is demolished it may be revalued and placed in a lower band straight away.
8. Will council tax be payable on all houses?

Council tax will be payable on almost all houses. A few will, however, be exempt. Houses where all the residents are students or are under 18 years old will be exempt. So will some classes of empty property though in many cases only for a limited period.

9. How much will the council tax be?

This partly depends on how much your local councils decide they need to raise. Each council sets its own council tax.

It also depends on the valuation band your home is placed in. The lower the value of the band in which your house is placed, the lower the bill will be. The way bills will vary for each valuation band is shown in the following illustration. A house in band A will attract a bill two-thirds the size of one in band D and one third that for band H.

![How bills will vary for different bands](image)

**HOW CAN BILLS BE REDUCED?**

10. Discounts

The full council tax bill assumes that there are two or more adults resident in a house.

If you are the only adult resident in the house, your bill will be cut by a discount of one quarter (25%). If a dwelling is not a main home - perhaps because it is a holiday home - the dwelling will be eligible for at least a 10% discount. This is due to local authorities having discretion to set discounts for second homes and long-term empty properties between 10% and 50% (although there are exemptions to this to ensure certain properties retain a mandatory 50% discount, see liability leaflet for more details). Certain people will not be included when counting the number of adults living in a house for the purposes of calculating...
these discounts from the council tax. These people include students, student nurses, apprentices, Youth Training Trainees and people such as those who are severely mentally impaired or living in residential care. So, for example, where a house is shared between two students and one other adult, only the one other adult will be counted and the council tax bill will be reduced by one quarter (as if only one adult lived there).

If your council gives a discount and you think you might not be entitled to it then you should tell the council (you may face a penalty if you do not). Equally, if your bill does not include a discount and you think it should, it is in your interest to draw this to the attention of your council as soon as possible.

11. Reductions for disabilities

If a house has been specially adapted for a person who is disabled (for example, by installing a stair lift) then the Assessor will ignore that adaptation when determining its valuation band. This means that no house will attract a higher bill simply because it has been adapted for a person who is disabled.

If a house is the main home of a person who is disabled and that person needs to use a wheelchair indoors or an extra room to meet special needs, the council tax bill will be set at the next band lower in value than that shown in the valuation list. For example, a band D house with extra space to meet the needs of a resident who is disabled, would have its council tax levied on the basis of band C.

12. Rebates

Council Tax Benefit of up to 100% is available for people who are on income support or low incomes. The amount of benefit you can get depends on the amount of your council tax bill, your income and savings and on your personal circumstances, for example, whether you have children and how many, or whether you have a disability. If you are a liable person but do not qualify for Council Tax Benefit because your income is too high, you may still be able to claim if someone living with you is on income support or a low income. This does not apply to partners or lodgers.

If you think you may be eligible for Council Tax Benefit, you should contact the council.

If you disagree with the council's decision on the amount of benefit you are given, you can ask the council to look at your case again. If you still disagree, you can appeal to a local Review Board.

13. When will bills be issued?

Councils are required to set their tax levels before 11 March and bills will normally be issued each spring. Amended or new bills will be issued, where appropriate, if your circumstances change or if you move house in the course of a year.

14. How do I pay?

Council tax bills will normally be payable in 10 monthly instalments. Councils may offer other arrangements as well. Your council will let you know of the different methods by which
you may pay your council tax. You must keep payments up to date. If you miss one instalment then you could lose the right to pay by instalments.

15. What if I think my bill is wrong?

If you think your council has calculated your bill wrongly - for example has taken account of the wrong number of people in the house - you should contact the council's Finance Department. Details of contacts will be given with the demand notice which is issued in the Spring, and you can appeal to an independent valuation appeal committee if you cannot resolve any difficulties with the Assessor or the council.

16. What do I do if the Council sends me a form?

If the council send you a form asking for information to help them determine who is responsible for paying the council tax for your house (the "liable person"), you must complete and return it. If you don't return it, you may face a penalty of £50. If the council sends you a form seeking information as to how many people are in the house and whether any are disabled then you should complete and return it. Failure to do so may result in an incorrect bill being issued.

17. How can I find out more?

This booklet deals with the main features of the council tax system. It is intended to help you understand how you are affected by the system. It does not cover every detail and should not be regarded as a comprehensive statement of the law.

If you need further information you should contact your council.

If you have general enquiries about the council tax you can write to:

Council Tax Enquiries
The Scottish Government
Area 3-J North
Victoria Quay
Edinburgh
EH6 6QQ
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