
WELSH STATUTORY INSTRUMENTS

2004 No. 3142 (W.270)

COUNCIL TAX, WALES

The Council Tax (Transitional Arrangements) (Wales) Regulations 2004

Made - - - - 30 November 2004

Coming into force - - 1 December 2004

The National Assembly for Wales makes the following Regulations in exercise of the powers conferred on it under section 13B(2) of the Local Government Finance Act 1992⁽¹⁾ and in exercise of the powers conferred on the Secretary of State under sections 13 and 113(1) and (2) of that Act which are now vested in the National Assembly for Wales so far as exercisable in relation to Wales⁽²⁾:

Name, commencement and application

1.—(1) These Regulations are called the Council Tax (Transitional Arrangements) (Wales) Regulations 2004 and come into force on 1 December 2004.

(2) These Regulations apply only to Wales.

Interpretation

2. In these Regulations —

“the 1992 Regulations” (“*Rheoliadau 1992*”) means the Council Tax (Reductions for Disabilities) Regulations 1992⁽³⁾;

“the 1993 Regulations” (“*Rheoliadau 1993*”) means the Council Tax (Alteration of Lists and Appeals) Regulations 1993⁽⁴⁾;

“first transitional year” (“*y flwyddyn drosiannol gyntaf*”) means the financial year commencing on 1 April 2005;

“original valuation band” (“*band prisio gwreiddiol*”) means the valuation band applicable to a dwelling on or for 31 March 2005;

“relevant number of valuation band increases” (“*nifer perthnasol y bandiau prisio y bydd annedd yn codi*”) means the number of valuation bands by which a dwelling has increased in

(1) 1992 c. 14.

(2) See the National Assembly for Wales (Transfer of Functions) Order 1999 (S.I. 1999/672).

(3) S.I. 1992/554 as amended by S.I. 1993/195, S.I. 1996/309, S.I. 1997/261, S.I. 1998/266, S.I. 1999/1004 and S.I. 2000/501.

(4) S.I. 1993/290 as amended by S.I. 1994/1746, S.I. 1996/613, S.I. 1995/363, S.I. 2000/409 and S.I. 2001/1439. There are other amendments to this S.I. which are not relevant to these Regulations.

the valuation list applicable to that dwelling on or for 1 April 2005 above the original valuation band;

“second transitional year” (“*yr ail flwyddyn drosiannol*”) means the financial year commencing on 1 April 2006;

“third transitional year” (“*y drydedd flwyddyn drosiannol*”) means the financial year commencing on 1 April 2007;

“transitional period” (“*cyfnod trosiannol*”) means the period from 1 April 2005 to 31 March 2008;

“transitional valuation band” (“*band priso trosiannol*”) means a valuation band applicable to the dwelling during the transitional period in accordance with regulation 4.

Qualification

3.—(1) Subject to paragraphs (2), (3), (4) and (5), transitional valuation bands applicable to a dwelling are to be identified for the transitional period in accordance with regulation 4.

(2) A transitional valuation band is only to be identified in respect of a dwelling in the following circumstances:

- (a) the dwelling must be a dwelling which was on a valuation list on or for 31 March 2005; and
- (b) the dwelling must have been the subject of a relevant number of valuation band increases being two or more valuation bands; and
- (c) the person liable for council tax for the dwelling on 31 March 2005 (or, if more than one person is liable, at least one of those persons) is also liable for council tax for that dwelling on 1 April 2005 and is so liable at some other time or times during the transitional period.

(3) No transitional valuation band is to apply to a dwelling during any period when it falls within a class of dwellings prescribed by either regulation 4 (Class A) or regulation 5 (Class B) of the Council Tax (Prescribed Classes of Dwellings) (Wales) Regulations 1998⁽⁵⁾.

(4) Where as a result of an alteration to the valuation list during the transitional period, the valuation band applicable to a dwelling increases by two or more bands above the original valuation band then, subject to paragraph (5), the dwelling must be treated as having been subject to a relevant number of valuation band increases being two or more valuation bands.

(5) Where a dwelling is to be treated under paragraph (4) as having been subject to a relevant number of valuation band increases being two or more valuation bands any transitional valuation band identified in respect of the dwelling is only to apply from the date on which the valuation list is altered or deemed to be altered in accordance with the 1993 Regulations:

- (a) in the first transitional year, in accordance with regulation 4(2);
- (b) in the second transitional year, in accordance with regulation 4(3);
- (c) in the third transitional year, in accordance with regulation 4(4).

Identification of transitional valuation bands

4.—(1) Subject to regulations 3(5) and 6, the transitional valuation band for a dwelling during the transitional period is to be identified for each year of the transitional period or part of such year in accordance with the following paragraphs and is only to be identified in relation to a person who falls within regulation 3(2)(c).

(2) For the purposes of the first transitional year the transitional valuation band applicable to the dwelling is identified by:

(5) [S.I. 1998/105](#) as amended by [S.I. 2004/452 \(W. 43\)](#).

- (a) reducing the relevant number of band increases shown in column (1) of the Table in the Schedule by the corresponding number of valuation bands in column (2) of that Table; and
 - (b) increasing the original valuation band by the reduced number of valuation band increases identified in accordance with sub-paragraph (a).
- (3) For the purposes of the second transitional year the transitional valuation band applicable to the dwelling is identified by:
- (a) reducing the relevant number of band increases shown in column (1) of the Table in the Schedule by the corresponding number of valuation bands in column (3) of that Table; and
 - (b) increasing the original valuation band by the reduced number of valuation band increases identified in accordance with sub-paragraph (a).
- (4) For the purposes of the third transitional year the transitional valuation band applicable to the dwelling is identified by:
- (a) reducing the relevant number of band increases shown in column (1) of the Table in the Schedule by the corresponding number of valuation bands in column (4) of that Table; and
 - (b) increasing the original valuation band by the reduced number of valuation band increases identified in accordance with sub-paragraph (a).

Effect of the identification of transitional valuation bands

5. Where a transitional valuation band has been identified in respect of a dwelling for the transitional period or any part thereof, liability to pay council tax in respect of that dwelling must be determined and calculated as if references in the 1992 Act to the valuation band listed for the dwelling were references to the transitional valuation band identified as applying to that dwelling.

Application of the 1992 Regulations during transitional period

6. Paragraph (6)(a) of Regulation 4 (Calculation of amount payable) of the 1992 Regulations is to be read as if the reference to regulations made under section 13 of the Local Government Finance Act 1992 referred also to regulations made under section 13B(6).

Signed on behalf of the National Assembly for Wales under section 66(1) of the Government of Wales Act 1998(7).

30 November 2004

John Marek
The Deputy Presiding Officer of the National
Assembly

(6) Section 13B of the Local Government Finance Act 1992 was inserted by section 79 (Transitional Arrangements) of the Local Government Act 2003 (c. 26).

(7) 1998 c. 38.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

SCHEDULE

Regulation 4

Table

<i>Column (1)</i> <i>Number of valuation band increases above the original valuation band as which column (1) at 1 April 2005</i>	<i>Column (2)</i> <i>Number of valuation bands by (1) increases are reduced in the first transitional year (2005/06)</i>	<i>Column (3)</i> <i>Number of valuation bands by which column (1) reduced in the second transitional year year (2006/07)</i>	<i>Column (4)</i> <i>Number of valuation bands by increases are reduced in the third year (2007/08)</i>
8	7	6	5
7	6	5	4
6	5	4	3
5	4	3	2
4	3	2	1
3	2	1	0
2	1	0	0

EXPLANATORY NOTE

(This note is not part of the Regulations)

Section 13B (Transitional arrangements) of the Local Government Finance Act 1992 (“the 1992 Act”) gives the National Assembly for Wales the power to make regulations which make provision for the purpose of smoothing changes in council tax liability resulting from the coming into force of an order under section 5 (Different amounts for dwellings in different valuation bands) or in relation to a billing authority in Wales of a list under section 22B (Compilation and maintenance of new lists) of the 1992 Act. These Regulations are made under section 13B and make transitional arrangements for the period from 1 April 2005 (which is the date on which new section 22B lists will come into force in Wales) to 31 March 2008 (“the transitional period”).

Regulation 3 requires that a valuation band (known as a transitional valuation band) is to be identified in respect of a dwelling (other than a dwelling falling, for the time being, within Class A or B as prescribed by the Council Tax (Prescribed Classes of Dwellings) (Wales) Regulations 1998) for the transitional period in accordance with regulation 4.

Regulation 3 sets out the circumstances in which a transitional valuation band is to be identified in accordance with regulation 4. The circumstances are:

- (a) a dwelling must be a dwelling which was on a valuation list on 31 March 2005; and
- (b) the dwelling must have increased by two or more valuation bands on 1 April 2005 as compared to the applicable valuation band on or for 31 March 2005 (“the original valuation band”); and

- (c) the person who is liable to pay council tax in respect of the dwelling on 31 March 2005 (or if more than one person is liable, one of those persons) is also liable in respect of the dwelling on 1 April 2005 and at some other time or times during the transitional period.

Regulation 3(4) provides that where an alteration is made to a valuation list during the transitional period such that the valuation band for a dwelling increases by two or more bands above the original valuation band, that dwelling must be treated as satisfying the circumstances referred to in (b) above. Regulation 3(5) provides that where, under regulation 3(4), a dwelling is to be treated as having been subject to a relevant number of valuation band increases being two or more bands, the increased band is to apply from the date on which the valuation list is altered or deemed to be altered in accordance with the Council Tax (Alteration of Lists and Appeals) Regulations 1993.

Regulation 4, which is subject to regulations 3(5) and 6 sets out the basis on which a transitional valuation band for a dwelling is identified in each of the three financial years in the transitional period (or part of such a financial year). A transitional valuation band is only to be identified in relation to a person who falls within regulation 3(2)(c). In a financial year in the transitional period the relevant number of valuation band increases above the original valuation band as shown in column (1) of the Schedule is to be reduced by the corresponding number of bands set out in column (2), (3) or (4) for that financial year. The number of valuation band increases derived from such a calculation is added to the original valuation band to ascertain the appropriate transitional valuation band for each financial year (or part of a financial year) in the transitional period.

Regulation 5 provides that where a transitional valuation band applies to a dwelling it is to be taken as the basis for determining and calculating liability to pay council tax.

Regulation 6 provides that during the transitional period regulation 4(6) of the Council Tax (Reductions for Disabilities) Regulations 1992 (“the 1992 Regulations”) is to be read as including a reference to regulations made under section 13B of the 1992 Act (i.e. these Regulations). The amount of council tax payable, as calculated under regulation 4 of the 1992 Regulations is therefore modified by reference to the transitional arrangements made by these Regulations.

The Table in the Schedule to these Regulations sets out in column (1) the number of valuation band increases as at 1 April 2005 which are relevant for the purposes of regulation 4. Columns (2), (3) and (4) of the Table set out accordingly the corresponding number of valuation bands by which column (1) increases are reduced in the first, second and third financial years in the transitional period.