



Local Government Finance Act 1992

1992 CHAPTER 14

PART II

COUNCIL TAX: SCOTLAND

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 [^{F1} regional, islands or district] council tax, [^{F1} 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;

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- (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 shall be taken of any means by which those expenses may otherwise be met or provided for [^{F2}but not of any amounts in such fund (other than the local authority's general fund) as is established by the authority under regulations made for the purposes of this subsection.]
- [^{F3}(5) Regulations made under subsection (4) above shall specify what kind of sums are to be paid into or out of the fund established under the regulations.]
- [^{F4}(6) A statutory instrument containing regulations under subsection (4) shall be made by the Scottish Ministers and subject to annulment in pursuance of a resolution of the Scottish Parliament.]

Textual Amendments

- F1** Words in s. 93(1)(a) repealed (19.2.1996 subject to art. 2(2) of the commencing S.I.) by 1994 c. 39, s. 180(2), **Sch. 14** (with s. 128(8)); S.I. 1996/323, **art. 2(1)(b)(d)(i)(2)**
- F2** Words in s. 93(4) inserted (S.) (1.4.2003) by Local Government in **Scotland Act 2003 (asp 1)**, **ss. 41(2)(a)**, 62(2); S.S.I. 2003/134, **art. 2**, **Sch.**
- F3** S. 93(5) inserted (S.) (1.4.2003) by Local Government in **Scotland Act 2003 (asp 1)**, **ss. 41(2)(b)**, 62(2); S.S.I. 2003/134, **art. 2**, **Sch.**
- F4** S. 93(6) inserted (S.) (26.11.2003) by The Local Government in **Scotland Act 2003 (Ancillary Provision) Order 2003 (S.S.I. 2003/567)**, **art. 2(2)**

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—
- the amount produced by that substituted or reduced setting; and
 - the amount which would have been produced had they not substituted or reduced their setting,

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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 ^{F5}local 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 ^{F6} . . . council shall levy and collect that substituted or reduced amount in place of the previous amount of council tax ^{F6} . . .

Textual Amendments

- F5** Word in s. 94(8) substituted (1.4.1996) by 1994 c. 39, s. 180(1), **Sch. 13 para. 176(9)**; S.I. 1996/323, **art. 4(1)(b)(c)**
- F6** Words in s. 94(9) repealed (1.4.1996) by 1994 c. 39, s. 180(2), **Sch. 14** (with s. 128(8)); S.I. 1996/323, **art. 4(1)(d)**, **Sch. 2**

^{F7}94A Transitional provisions.

- (1) The Secretary of State may, after consulting such associations of local authorities as appear to him to be appropriate, specify in a report, as regards the financial year 1996-97 and any local authority, the amount which in his opinion should be used as the basis of comparison for the purposes of paragraph 1(1) of Schedule 7 to this Act.
- (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 amount mentioned in subsection (1) above; 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, paragraph 1(1) of Schedule 7 to this Act shall have effect, as regards the financial year

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1996-97 and any authority to which the report relates, as if the amount mentioned in subsection (1) above were the basis of comparison there referred to.

- (5) This section shall not apply in relation to Orkney Islands, Shetland Islands and Western Isles.]

Textual Amendments

F7 S. 94A inserted (4.1.1995) by 1994 c. 39, s. 24 (with ss. 7(2), 128(8)); S.I. 1994/2850, art. 3(a), Sch. 2

F8 95 District council tax: setting and collection.

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Textual Amendments

F8 S. 95 repealed (1.4.1996) by 1994 c. 39, s. 180(2), Sch. 14 (with s. 128(8)); S.I. 1996/323, art. 4(1)(d), Sch. 2

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.

Modifications etc. (not altering text)

C1 S. 96 applied (with modifications) (24.6.1992) by S.I. 1992/1203, reg. 2, Sch.

Changes to legislation:

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Act applied (with modifications) by [S.I. 2010/875 reg. 16Sch. 2](#) (This amendment not applied to legislation.gov.uk. The amending S.I. was revoked before ever coming into force by S.I. 2010/1906, reg. 2)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 6(2)(ea) inserted by [2012 c. 17 s. 13\(1\)](#)