

SCOTTISH STATUTORY INSTRUMENTS

2016 No. 253

COUNCIL TAX

The Council Tax Reduction (Scotland) Amendment (No. 2) Regulations 2016

Made - - - - 6th September 2016
*Laid before the Scottish
Parliament* - - - - 7th September 2016
Coming into force - - 1st April 2017

The Scottish Ministers make the following Regulations in exercise of the powers conferred by sections 80 and 113(1) and (2) and paragraph 1 of schedule 2 of the Local Government Finance Act 1992(1) and all other powers enabling them to do so.

PROSPECTIVE

Citation and commencement

1. These Regulations may be cited as the Council Tax Reduction (Scotland) Amendment (No. 2) Regulations 2016 and come into force on 1st April 2017.

Commencement Information

II Reg. 1 in force at 1.4.2017, see [reg. 1](#)

Amendment of the Council Tax Reduction (Scotland) Regulations 2012

2. The Council Tax Reduction (Scotland) Regulations 2012(2) are amended as follows.
3. In regulation 14 (conditions of entitlement to council tax reduction)—
 - (a) in paragraph (1)—
 - (i) after “reduction”, insert “under this regulation”; and
 - (ii) for “paragraph (3)”, substitute “paragraphs (3) and (3A)”; and

(1) 1992 c.14. Section 80 was amended by paragraph 176 of schedule 13 of the Local Government etc. (Scotland) Act 1994 (c.39). There are other amendments to section 80 and section 113(1) that are not relevant to these Regulations. The functions of the Secretary of State were transferred to the Scottish Ministers by virtue of section 53 of the Scotland Act 1998 (c.46).
(2) S.S.I. 2012/303; relevant amending instruments are S.S.I. 2013/218 and S.S.I. 2015/46.

Status: This version of this Instrument contains provisions that are prospective.

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to The Council Tax Reduction (Scotland) Amendment (No. 2) Regulations 2016. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

(b) after paragraph (3), insert—

“(3A) The condition referred to in paragraph (1) is that the amount of council tax reduction calculated under this regulation is not less than the amount of council tax reduction calculated under regulation 14A.”.

4. After regulation 14, insert—

“Conditions of entitlement to council tax reduction – dwellings in bands E to H

14A.—(1) A person who is liable to pay council tax under section 75 of the Act (“relevant person”) is entitled to council tax reduction under this regulation in respect of a day if—

- (a) the conditions set out in paragraph (3) to (5) are satisfied; and
- (b) the amount of council tax reduction calculated under this regulation is greater than the amount of council tax reduction calculated under regulation 14.

(2) A relevant person is not entitled to council tax reduction in respect of any day before the day on which that person’s entitlement to council tax reduction commences in accordance with regulation 80 (date on which entitlement is to begin).

(3) The conditions referred to in paragraph (1)(a) are that the relevant person—

- (a) is for the day liable to pay council tax in respect of a dwelling in valuation band E, F, G or H in which that person resides as their sole or main residence;
- (b) is not a person to whom regulation 15 (persons not entitled to council tax reduction: absentees), 16 (persons not entitled to council tax reduction: persons treated as not being in Great Britain), 19 (persons not entitled to council tax reduction: persons subject to immigration control) or 20 (persons not entitled to council tax reduction: students) applies; and
- (c) makes an application for council tax reduction in accordance with Part 10 (applications).

(4) The condition referred to in paragraph (1)(a) is that there is an appropriate maximum council tax reduction in the case of the relevant person.

(5) The condition referred to in paragraph (1)(a) is that—

- (a) the day falls within a week in respect of which—
 - (i) the relevant person has no income; or
 - (ii) the relevant person’s income does not exceed—
 - (aa) £321, in the case of a person to whom paragraph (6) applies;
 - (bb) £479, in any other case; or
- (b) neither sub-paragraph (a)(i) or (ii) applies to the relevant person but amount A exceeds amount B where—
 - (i) amount A is the appropriate maximum council tax reduction in the relevant person’s case; and
 - (ii) amount B is 2 6/7 per cent of the difference between the person’s income in respect of the week in which the day falls and the amount stated in sub-paragraph (a)(ii)(aa) or (bb) (as the case may be).

(6) This paragraph applies to a person who—

- (a) is not a member of a couple or of a polygamous marriage; and

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(b) is not responsible for a child or young person (within the meaning of regulation 10).

(7) Where a relevant person is entitled to council tax reduction in respect of a day, the amount to which the person is entitled is—

(a) if paragraph (5)(a) applies, the amount which is the appropriate maximum council tax reduction in that person's case;

(b) if paragraph (5)(b) applies, the amount found by deducting amount B from amount A, where "amount A" and "amount B" have the meanings given by that paragraph."

5. In paragraph (1) of regulation 27 (calculation of income on a weekly basis), after "14(5)" insert "or 14A(5)".

6. In regulation 66 (maximum council tax reduction)—

(a) in paragraph (1), after "and (3)," insert "for the purposes of regulation 14";

(b) after paragraph (1), insert—

"(1A) Subject to paragraphs (2) and (3), for the purposes of regulation 14A the amount of a person's maximum council tax reduction in respect of a day for which the person is liable to pay council tax is 100% of the amount—

$$\frac{A - \frac{A}{C}}{B}$$

less any deductions in respect of non-dependants which fall to be made under regulation 67.

(1B) In paragraph (1A)—

(a) A and B have the same meanings as in paragraph (1); and

(b) C is—

(i) 1.075 if the relevant dwelling is in valuation band E;

(ii) 1.125 if the relevant dwelling is in valuation band F;

(iii) 1.175 if the relevant dwelling is in valuation band G;

(iv) 1.225 if the relevant dwelling is in valuation band H."; and

(c) in paragraph (2), after "paragraph (1)" insert "or (1A)".

7. In regulation 80 (date on which entitlement is to begin)—

(a) in paragraph (1)(b), after "regulation 14" insert "or 14A"; and

(b) in paragraph (2)(c), after "regulation 14" insert "or 14A".

8. In schedule 1 (applicable amount), in paragraph 3 for "£66.90" (in both places where it occurs) substitute "£83.63".

Commencement Information

12 Reg. 2 in force at 1.4.2017, see [reg. 1](#)

13 Reg. 3 in force at 1.4.2017, see [reg. 1](#)

14 Reg. 4 in force at 1.4.2017, see [reg. 1](#)

15 Reg. 5 in force at 1.4.2017, see [reg. 1](#)

16 Reg. 6 in force at 1.4.2017, see [reg. 1](#)

17 Reg. 7 in force at 1.4.2017, see [reg. 1](#)

18 Reg. 8 in force at 1.4.2017, see [reg. 1](#)

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Amendment of the Council Tax Reduction (State Pension Credit) (Scotland) Regulations 2012

9. The Council Tax Reduction (State Pension Credit) (Scotland) Regulations 2012(3) are amended as follows.

10. In regulation 14 (conditions of entitlement to council tax reduction)—

(a) in paragraph (1)—

(i) after “reduction”, insert “under this regulation”; and

(ii) for “paragraph (3)”, substitute “paragraphs (3) and (3A)”; and

(b) after paragraph (3), insert—

“(3A) The condition referred to in paragraph (1) is that the amount of council tax reduction calculated under this regulation is not less than the amount of council tax reduction calculated under regulation 14A.”.

11. After regulation 14, insert—

“Conditions of entitlement to council tax reduction – dwellings in bands E to H

14A.—(1) A person who is liable to pay council tax under section 75 of the Act (“relevant person”) is entitled to council tax reduction under this regulation in respect of a day if—

(a) the conditions set out in paragraph (3) to (5) are satisfied; and

(b) the amount of council tax reduction calculated under this regulation is greater than the amount of council tax reduction calculated under regulation 14.

(2) A relevant person is not entitled to council tax reduction in respect of any day before the day on which that person’s entitlement to council tax reduction commences in accordance with regulation 58 (date on which entitlement begins).

(3) The conditions referred to in paragraph (1)(a) are that the relevant person—

(a) is for the day liable to pay council tax in respect of a dwelling in valuation band E, F, G or H in which that person resides as their sole or main residence;

(b) is not a person to whom regulation 15 (persons not entitled to council tax reduction: absentees), 16 (persons not entitled to council tax reduction: persons treated as not being in Great Britain) or 19 (persons not entitled to council tax reduction: persons subject to immigration control) applies; and

(c) makes an application for council tax reduction in accordance with Part 9 (applications).

(4) The condition referred to in paragraph (1)(a) is that there is an appropriate maximum council tax reduction in the case of the relevant person.

(5) The condition referred to in paragraph (1)(a) is that—

(a) the day falls within a week in respect of which—

(i) the relevant person has no income; or

(ii) the relevant person’s income does not exceed—

(aa) £321, in the case of a person to whom paragraph (6) applies;

(bb) £479, in any other case; or

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(b) neither sub-paragraph (a)(i) or (ii) applies to the relevant person but amount A exceeds amount B where—

(i) amount A is the appropriate maximum council tax reduction in the relevant person’s case; and

(ii) amount B is 2 6/7 per cent of the difference between the person’s income in respect of the week in which the day falls and the amount stated in sub-paragraph (a)(ii)(aa) or (bb) (as the case may be).

(6) This paragraph applies to a person who—

(a) is not a member of a couple or of a polygamous marriage; and

(b) is not responsible for a child or young person (within the meaning of regulation 10).

(7) Where a relevant person is entitled to council tax reduction in respect of a day, the amount to which the person is entitled is—

(a) if paragraph (5)(a) applies, the amount which is the appropriate maximum council tax reduction in that person’s case;

(b) if paragraph (5)(b) applies, the amount found by deducting amount B from amount A, where “amount A” and “amount B” have the meanings given by that paragraph.”.

12. In paragraph (1) of regulation 28 (calculation of income on a weekly basis), after “14(5)” insert “or 14A(5)”.

13. In regulation 47 (maximum council tax reduction)—

(a) in paragraph (1), after “and (3),” insert “for the purposes of regulation 14”;

(b) after paragraph (1), insert—

“(1A) Subject to paragraphs (2) and (3), for the purposes of regulation 14A the amount of a person’s maximum council tax reduction in respect of a day for which the person is liable to pay council tax is 100% of the amount—

$$\frac{A - \frac{A}{C}}{B}$$

less any deductions in respect of non-dependants which fall to be made under regulation 48.

(1B) In paragraph (1A)—

(a) A and B have the same meanings as in paragraph (1); and

(b) C is—

(i) 1.075 if the relevant dwelling is in valuation band E;

(ii) 1.125 if the relevant dwelling is in valuation band F;

(iii) 1.175 if the relevant dwelling is in valuation band G;

(iv) 1.225 if the relevant dwelling is in valuation band H.”; and

(c) in paragraph (2), after “paragraph (1)” insert “or (1A)”.

14. In regulation 58 (date on which entitlement begins)—

(a) in paragraph (1)(b), after “regulation 14” insert “or 14A”; and

(b) in paragraph (2)(c), after “regulation 14” insert “or 14A”.

15. In schedule 1 (applicable amount), in paragraph 3 for “£66.90” (in both places where it occurs) substitute “£83.63”.

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Commencement Information

- I9** Reg. 9 in force at 1.4.2017, see [reg. 1](#)
- I10** Reg. 10 in force at 1.4.2017, see [reg. 1](#)
- I11** Reg. 11 in force at 1.4.2017, see [reg. 1](#)
- I12** Reg. 12 in force at 1.4.2017, see [reg. 1](#)
- I13** Reg. 13 in force at 1.4.2017, see [reg. 1](#)
- I14** Reg. 14 in force at 1.4.2017, see [reg. 1](#)
- I15** Reg. 15 in force at 1.4.2017, see [reg. 1](#)

St Andrew's House,
Edinburgh
6th September 2016

DEREK MACKAY
A member of the Scottish Government

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PROSPECTIVE

EXPLANATORY NOTE

(This note is not part of the Regulations)

Regulations 3 to 7 of these Regulations amend the Council Tax Reduction (Scotland) Regulations 2012 (“the 2012 Regulations”) so as to create further provision for reduction of council tax bills in certain circumstances. The new form of reduction will apply in relation to dwellings in valuation bands E to H. A draft instrument (the Council Tax (Substitution of Proportion) (Scotland) Order 2016) has been laid before the Scottish Parliament. If this is approved by the Parliament and subsequently made by the Scottish Ministers, the result will be to alter the proportion set out in section 74(1) of the Local Government Finance Act 1992 so as to increase the amount of council tax payable for dwellings in valuation bands E to H (as compared to that payable for dwellings in the other bands).

Regulation 8 amends schedule 1 of the 2012 Regulations so as to increase the amount taken into consideration when working out whether persons with a dependant child or young person are eligible for council tax reduction.

Regulations 10 to 15 amend the Council Tax Reduction (State Pension Credit) (Scotland) Regulations 2012 in the same manner as the 2012 Regulations are amended by regulations 3 to 8.

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Changes and effects yet to be applied to :

- reg. 1 coming into force by [S.S.I. 2016/253 reg. 1](#)
- reg. 2 coming into force by [S.S.I. 2016/253 reg. 1](#)
- reg. 2-8 revoked by [S.S.I. 2021/249 sch. 6](#)
- reg. 3 coming into force by [S.S.I. 2016/253 reg. 1](#)
- reg. 4 coming into force by [S.S.I. 2016/253 reg. 1](#)
- reg. 5 coming into force by [S.S.I. 2016/253 reg. 1](#)
- reg. 6 coming into force by [S.S.I. 2016/253 reg. 1](#)
- reg. 7 coming into force by [S.S.I. 2016/253 reg. 1](#)
- reg. 8 coming into force by [S.S.I. 2016/253 reg. 1](#)
- reg. 9 coming into force by [S.S.I. 2016/253 reg. 1](#)
- reg. 10 coming into force by [S.S.I. 2016/253 reg. 1](#)
- reg. 11 coming into force by [S.S.I. 2016/253 reg. 1](#)
- reg. 12 coming into force by [S.S.I. 2016/253 reg. 1](#)
- reg. 13 coming into force by [S.S.I. 2016/253 reg. 1](#)
- reg. 14 coming into force by [S.S.I. 2016/253 reg. 1](#)
- reg. 15 coming into force by [S.S.I. 2016/253 reg. 1](#)