



Local Government Finance Act 1992

1992 CHAPTER 14

PART I

COUNCIL TAX: ENGLAND AND WALES

CHAPTER IV

PRECEPTS

Issue of precepts

40 Issue of precepts by major precepting authorities.

- (1) For each financial year a major precepting authority shall issue a precept or precepts in accordance with this section.
- (2) A precept issued to a billing authority under this section must state—
 - (a) the amount which, in relation to the year and each category of dwellings in the billing authority's area, has been calculated (or last calculated) by the precepting authority in accordance with ^{F1}—
 - (i) in the case of a precepting authority in England, sections 42A, 42B and 45 to 47 below, or
 - (ii) in the case of a precepting authority in Wales, sections 43 to 47 below;] and
 - (b) the amount which has been calculated (or last calculated) by the precepting authority in accordance with section 48 below as the amount payable by the billing authority for the year.
- (3) Dwellings fall within different categories for the purposes of subsection (2) above according as different calculations have been made in relation to them in accordance with ^{F2}—

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- (a) in the case of a precepting authority in England, sections 42A, 42B and 45 to 47 below, or
 - (b) in the case of a precepting authority in Wales, sections 43 to 47 below.]
- (4) A major precepting authority shall assume for the purposes of subsection (2) above that each of the valuation bands is shown in the billing authority’s valuation list as applicable to one or more dwellings situated in its area or (as the case may be) each part of its area as respects which different calculations have been so made.
- (5) A precept under this section must be issued before 1st March in the financial year preceding that for which it is issued, but is not invalid merely because it is issued on or after that date.
- [^{F3}(5A) No such precept may be issued by a precepting authority in England to a billing authority before the earlier of the following—
- (a) the earliest date on which, for the financial year for which the precept is issued, each of the periods prescribed for the purposes of item T in section 31B(1) above, item T in section 42B(1) below and item TP in section 45(3) below has expired;
 - (b) the earliest date on which, for that year, each billing authority has notified its calculations for the purposes of those items to the precepting authority.]
- (6) No such precept may be issued to a billing authority [^{F4}in Wales] before the earlier of the following—
- (a) the earliest date on which, for the financial year for which the precept is issued, each of the periods prescribed for the purposes of item T in section 33(1) above, item T in section 44(1) below and item TP in section 45(3) below has expired;
 - (b) the earliest date on which, for that year, each billing authority has notified its calculations for the purposes of those items to the precepting authority.
- (7) No such precept may be issued unless the precepting authority has made in relation to the year the calculations required by this Chapter.
- (8) A purported issue of such a precept, if done in contravention of subsection [^{F5}(5A)], (6) or (7) above, shall be treated as not having occurred.
- [^{F6}(9) Where the precepting authority is the Greater London Authority, this section shall have effect with the following modifications—
- (a) in subsection [^{F7}(2)(a)(i)], for the reference to [^{F8}sections 42A, 42B and 45 to 47] below there shall be substituted a reference to the appropriate Greater London provisions;
 - (b) in subsection [^{F9}(3)(a)], for the reference to [^{F10}sections 42A, 42B and 45 to 47] below there shall be substituted a reference to the appropriate Greater London provisions;
 - (c) in subsection [^{F11}(5A)], for the reference to item T in section [^{F12}42B(1)] below there shall be substituted a reference to item T in section 88(2) of the Greater London Authority Act 1999; and
 - (d) also in subsection [^{F13}(5A)], for the reference to item TP in section 45(3) below there shall be substituted a reference to item TP2 in section 89(4) of that Act.
- (10) In this section, “the appropriate Greater London provisions” means—
- (a) sections 85 to 90 of the Greater London Authority Act 1999 and section 47 below; or

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- (b) in the case of calculations by way of substitute, sections 85, 86 and 88 to 90 of, and Schedule 7 to, that Act and section 47 below.]

[^{F14}(11) Where the precepting authority is a mayoral combined authority—

- (a) a precept may be issued under this section only in relation to expenditure incurred by the mayor for the authority's area in, or in connection with, the exercise of mayoral functions (as defined by section 107G(7) of the Local Democracy, Economic Development and Construction Act 2009), and
- (b) the issuing and calculation of a precept under this Chapter is subject to any provision made in an order under that section.]

[^{F15}(12) Where the precepting authority is a mayoral CCA—

- (a) a precept may be issued under this section only in relation to expenditure incurred by the mayor for the authority's area in, or in connection with, the exercise of mayoral functions (as defined by section 41(8) of the Levelling-up and Regeneration Act 2023), and
- (b) the issuing and calculation of a precept under this Chapter is subject to any provision made in regulations under that section.]

Textual Amendments

- F1** Words in s. 40(2)(a) substituted (3.12.2011) by [Localism Act 2011 \(c. 20\)](#), s. 240(2), [Sch. 7 para. 17\(2\)](#); S.I. 2011/2896, art. 2(i)
- F2** Words in s. 40(3) substituted (3.12.2011) by [Localism Act 2011 \(c. 20\)](#), s. 240(2), [Sch. 7 para. 17\(3\)](#); S.I. 2011/2896, art. 2(i)
- F3** S. 40(5A) inserted (3.12.2011) by [Localism Act 2011 \(c. 20\)](#), s. 240(2), [Sch. 7 para. 17\(4\)](#); S.I. 2011/2896, art. 2(i)
- F4** Words in s. 40(6) inserted (3.12.2011) by [Localism Act 2011 \(c. 20\)](#), s. 240(2), [Sch. 7 para. 17\(5\)](#); S.I. 2011/2896, art. 2(i)
- F5** Word in s. 40(8) inserted (3.12.2011) by [Localism Act 2011 \(c. 20\)](#), s. 240(2), [Sch. 7 para. 17\(6\)](#); S.I. 2011/2896, art. 2(i)
- F6** S. 40(9)(10) added (12.1.2000 subject to transitional provisions in the Schedule, Table 1, of the commencing S.I.) by [1999 c. 29](#), s. 83 (with [Sch. 12 para. 9\(1\)](#)); S.I. 1999/3434, art. 2
- F7** Words in s. 40(9)(a) substituted (3.12.2011) by [Localism Act 2011 \(c. 20\)](#), s. 240(2), [Sch. 7 para. 17\(7\)\(a\)\(i\)](#); S.I. 2011/2896, art. 2(i)
- F8** Words in s. 40(9)(a) substituted (3.12.2011) by [Localism Act 2011 \(c. 20\)](#), s. 240(2), [Sch. 7 para. 17\(7\)\(a\)\(ii\)](#); S.I. 2011/2896, art. 2(i)
- F9** Words in s. 40(9)(b) substituted (3.12.2011) by [Localism Act 2011 \(c. 20\)](#), s. 240(2), [Sch. 7 para. 17\(7\)\(b\)\(i\)](#); S.I. 2011/2896, art. 2(i)
- F10** Words in s. 40(9)(b) substituted (3.12.2011) by [Localism Act 2011 \(c. 20\)](#), s. 240(2), [Sch. 7 para. 17\(7\)\(b\)\(ii\)](#); S.I. 2011/2896, art. 2(i)
- F11** Word in s. 40(9)(c) substituted (3.12.2011) by [Localism Act 2011 \(c. 20\)](#), s. 240(2), [Sch. 7 para. 17\(7\)\(c\)\(i\)](#); S.I. 2011/2896, art. 2(i)
- F12** Word in s. 40(9)(c) substituted (3.12.2011) by [Localism Act 2011 \(c. 20\)](#), s. 240(2), [Sch. 7 para. 17\(7\)\(c\)\(ii\)](#); S.I. 2011/2896, art. 2(i)
- F13** Word in s. 40(9)(d) substituted (3.12.2011) by [Localism Act 2011 \(c. 20\)](#), s. 240(2), [Sch. 7 para. 17\(7\)\(d\)](#); S.I. 2011/2896, art. 2(i)
- F14** S. 40(11) inserted (28.1.2016 for specified purposes, 28.3.2016 in so far as not already in force) by [Cities and Local Government Devolution Act 2016 \(c. 1\)](#), ss. 5(2), 25(2)
- F15** S. 40(12) inserted (26.12.2023) by [Levelling-up and Regeneration Act 2023 \(c. 55\)](#), s. 255(2)(c), [Sch. 4 para. 112](#) (with s. 247)

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Modifications etc. (not altering text)

- C1** Pt. 1 Chs. 4, 4ZA: power to modify conferred by 2009 c. 20, s. 107G(3) (as inserted (E.W.) (28.1.2016 for specified purposes, 28.3.2016 in so far as not already in force) by [Cities and Local Government Devolution Act 2016 \(c. 1\)](#), [ss. 5\(3\)](#), 25(2))
- C2** S. 40 restricted (1.11.1994 for certain specified purposes subject to [S.I. 1994/2025](#), [art. 7\(4\)](#)) by [1994 c. 19, s. 28\(1\)\(a\)](#); [S.I. 1994/2025](#), [art. 7\(1\)\(2\)\(c\)](#) (subject to [art. 7\(3\)\(4\)](#))
S. 40 restricted (22.8.1996) by [1996 c. 16, ss. 19\(a\)](#), 104(1)
- C3** Pt. I Chs. III-IV (ss. 30-52) modified (E.) (1.2.1993) by [S.I. 1993/22](#), [art. 4\(2\)](#)

41 Issue of precepts by local precepting authorities.

- (1) For each financial year a local precepting authority may issue a precept in accordance with this section.
- (2) A precept issued to a billing authority under this section must state, as the amount payable by that authority for the year, the amount which has been calculated (or last calculated) ^{F16}—
 - (a) in the case of a precepting authority in England, by that authority under section 49A below as its council tax requirement for the year, and
 - (b) in the case of a precepting authority in Wales, by that authority under section 50 below as its budget requirement for the year.]
- ^{F17}(2A) The Secretary of State may by regulations make provision that a billing authority in England making calculations in accordance with section 31A above (originally or by way of substitute) may anticipate a precept under this section; and the regulations may include provision as to—
 - (a) the amounts which may be anticipated by billing authorities in pursuance of the regulations;
 - (b) the sums (if any) to be paid by such authorities in respect of amounts anticipated by them; and
 - (c) the sums (if any) to be paid by such authorities in respect of amounts not anticipated by them.]
- (3) The ^{F18}Welsh Ministers] may by regulations make provision that a billing authority ^{F19}[in Wales] making calculations in accordance with section 32 above (originally or by way of substitute) may anticipate a precept under this section; and the regulations may include provision as to—
 - (a) the amounts which may be anticipated by billing authorities in pursuance of the regulations;
 - (b) the sums (if any) to be paid by such authorities in respect of amounts anticipated by them; and
 - (c) the sums (if any) to be paid by such authorities in respect of amounts not anticipated by them.
- ^{F20}(3A) A statutory instrument containing regulations under subsection (3) is subject to annulment in pursuance of a resolution of Senedd Cymru.]
- (4) A precept under this section must be issued before 1st March in the financial year preceding that for which it is issued, but is not invalid merely because it is issued on or after that date.

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Textual Amendments

- F16** Words in s. 41(2) substituted (3.12.2011) by [Localism Act 2011 \(c. 20\)](#), s. 240(2), [Sch. 7 para. 18\(2\)](#); [S.I. 2011/2896](#), art. 2(i)
- F17** S. 41(2A) inserted (3.12.2011) by [Localism Act 2011 \(c. 20\)](#), s. 240(2), [Sch. 7 para. 18\(3\)](#); [S.I. 2011/2896](#), art. 2(i)
- F18** Words in s. 41(3) substituted (3.12.2011) by [Localism Act 2011 \(c. 20\)](#), s. 240(2), [Sch. 7 para. 18\(4\)\(a\)](#); [S.I. 2011/2896](#), art. 2(i)
- F19** Words in s. 41(3) inserted (3.12.2011) by [Localism Act 2011 \(c. 20\)](#), s. 240(2), [Sch. 7 para. 18\(4\)\(b\)](#); [S.I. 2011/2896](#), art. 2(i)
- F20** S. 41(3A) inserted (E.W.) (20.3.2021) by [Local Government and Elections \(Wales\) Act 2021 \(asc 1\)](#), [ss. 158\(4\)](#), [175\(3\)\(p\)](#)

Modifications etc. (not altering text)

- C4** Pt. I Chs. III-IV (ss. 30-52) modified (E.) (1.2.1993) by [S.I. 1993/22](#), [art. 4\(2\)](#)
- C5** S. 41 modified (E.) (1.2.1993) by [S.I. 1993/22](#), [art. 3\(2\)](#)
- C6** S. 41 applied (with modifications) (15.2.1995) by [S.I. 1995/161](#), [art. 3\(1\)](#)
- C7** S. 41 modified (4.6.1996) by [S.I. 1996/263](#), reg. 13(2)
- S. 41 modified (W.) (2.5.2002) by [The Bridgend \(Cynffig, Cornelly and Pyle Communities\) \(Electoral Changes\) Order 2002 \(S.I. 2002/1129\)](#), [art. 5\(2\)](#)
- C8** S. 41 modified (W.) (3.3.2008 for specified purposes, 1.4.2008 in so far as not already in force) by [Powys \(Communities\) Order 2008 \(S.I. 2008/584\)](#), arts. 1(2)(3), [20\(2\)](#)
- C9** S. 41 applied (with modifications) (1.4.2011) by [The Pembrokeshire \(Communities\) Order 2011 \(S.I. 2011/683\)](#), arts. 1(3), [21\(2\)](#)
- C10** S. 41 modified (7.12.2011 for specified purposes, 3.5.2012 in so far as not already in force) by [The Swansea \(Communities\) Order 2011 \(S.I. 2011/2932\)](#), art. 1(2)(3), [22\(2\)](#)
- C11** S. 41 applied (with modifications) (W.) (coming into force in accordance with art. 1(2)(3) of the amending S.I.) by [The Monmouthshire \(Communities\) Order 2021 \(S.I. 2021/1227\)](#), [art. 251\(3\)](#)
- C12** S. 41(1) excluded (1.4.2009) by [The Charter Trustees Regulations 2009 \(S.I. 2009/467\)](#), regs. 1(1), [12\(1\)](#) (with reg. 1(2))
- C13** S. 41(4) modified (E.) (1.2.1993) by [S.I. 1993/22](#), [art. 3\(3\)\(b\)](#)
- C14** S. 41(4) applied (with modifications) (15.2.1995) by [S.I. 1995/161](#), [art. 3\(2\)\(b\)](#)
- C15** S. 41(4) modified (4.6.1996) by [S.I. 1996/263](#), reg. 13(3)(b)
- S. 41(4) modified (E.) (20.2.1998) by [S.I. 1998/119](#), [art. 5\(2\)](#)
- S. 41(4) modified (W.) (2.5.2002) by [The Bridgend \(Cynffig, Cornelly and Pyle Communities\) \(Electoral Changes\) Order 2002 \(S.I. 2002/1129\)](#), [art. 5\(3\)\(b\)](#)
- C16** S. 41(4) modified (W.) (3.3.2008 for specified purposes, 1.4.2008 in so far as not already in force) by [Powys \(Communities\) Order 2008 \(S.I. 2008/584\)](#), arts. 1(2)(3), [20\(3\)\(b\)](#)
- C17** S. 41(4) modified (E.) (8.4.2008) by [Local Government Finance \(New Parishes\) \(England\) Regulations 2008 \(S.I. 2008/626\)](#), regs. 1(1), [5\(2\)](#)
- C18** S. 41(4) applied (with modifications) (1.4.2011) by [The Pembrokeshire \(Communities\) Order 2011 \(S.I. 2011/683\)](#), arts. 1(3), [21\(3\)\(b\)](#)
- C19** S. 41(4) modified (7.12.2011 for specified purposes, 3.5.2012 in so far as not already in force) by [The Swansea \(Communities\) Order 2011 \(S.I. 2011/2932\)](#), art. 1(2)(3), [22\(3\)\(b\)](#)

42 Substituted precepts.

(1) Where—

- (a) a precepting authority has issued a precept or precepts for a financial year (originally or by way of substitute); and

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(b) at any later time it makes substitute calculations under section 49 [F21, [F2249A,][F2352ZU,] 52J or 52U] or (as the case may be) section 51 below [F24 or section 95 of the Greater London Authority Act 1999],

it shall as soon as reasonably practicable after that time issue a precept or precepts in substitution so as to give effect to those calculations.

(2) Any precept issued in substitution under subsection (1) above must be issued in accordance with section 40 or (as the case may be) section 41 above, but subsection (5) of section 40 and subsection (4) of section 41 shall be ignored for this purpose.

(3) Where a precepting authority issues a precept in substitution (a new precept) anything paid to it by reference to the precept for which it is substituted (the old precept) shall be treated as paid by reference to the new precept.

(4) If the amount stated in the old precept exceeds that of the new precept, the following shall apply as regards anything paid if it would not have been paid had the amount of the old precept been the same as that of the new precept—

(a) it shall be repaid if the billing authority by whom it was paid so requires;

(b) in any other case it shall (as the precepting authority determines) either be repaid or be credited against any subsequent liability of the billing authority in respect of any precept of the precepting authority.

(5) Any reference in subsection (4) above to the amount stated in a precept shall be construed, in relation to a precept issued by a major precepting authority, as a reference to the amount stated in the precept in accordance with section 40(2)(b) above.

Textual Amendments

F21 Words in s. 42(1)(b) substituted (27.7.1999) by 1999 c. 27, s. 30, **Sch. 1 Pt. II para. 4**

F22 Word in s. 42(1)(b) inserted (3.12.2011) by Localism Act 2011 (c. 20), s. 240(2), **Sch. 7 para. 19**; S.I. 2011/2896, art. 2(i)

F23 Word in s. 42(1)(b) inserted (3.12.2011) by Localism Act 2011 (c. 20), s. 240(2), **Sch. 6 para. 3**; S.I. 2011/2896, art. 2(i)

F24 Words in s. 42(1)(b) inserted (3.7.2000) by 1999 c. 29, s. 84 (with Sch. 12 para. 9(1)); S.I. 1999/3434, art. 4

Modifications etc. (not altering text)

C20 Pt. 1 Chs. 3, 4 (ss. 30-52) modified (E.) (1.2.1993) by S.I. 1993/22, art. 4(2)

C21 S. 42(2) modified (E.) (20.2.1998) by S.I. 1998/119, reg. 5(3)

C22 S. 42(2) modified (E.) (8.4.2008) by Local Government Finance (New Parishes) (England) Regulations 2008 (S.I. 2008/626), regs. 1(1), 5(3)

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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\(1\)](#)