

SCHEDULE 1

COUNCIL TAX INSTALMENT SCHEMES

PART III

CESSATION AND ADJUSTMENT OF INSTALMENTS

9.—(1) This paragraph applies where the demand notice has been served on a liable person by a billing authority and after its issue the person ceases to be the liable person in respect of the chargeable dwelling and the period to which the notice relates.

(2) Subject to sub-paragraphs (5) and (6), no payments of instalments falling due after the relevant day are payable under the notice.

(3) The billing authority shall on the relevant day or as soon as practicable after that day serve a notice on the liable person stating the amount of his liability in respect of the council tax to which the demand notice relates as it has effect for the period in the relevant year up to the day on which he ceased to be so liable.

(4) If the amount stated under sub-paragraph (3) is less than the aggregate amount of any instalments which have fallen due on or before the relevant day, the difference shall go in the first instance to discharge any liability to pay the instalments (to the extent that they remain unpaid); and any residual overpayment—

- (a) shall be repaid if the liable person so requires, or
- (b) in any other case shall (as the billing authority determines) either be repaid or credited against any subsequent liability of the person to make a payment in respect of any council tax of the authority.

(5) If the amount stated under sub-paragraph (3) is greater than the aggregate amount of any instalments which have fallen due on or before the relevant day, the difference between the two shall be due from the liable person to the billing authority on the expiry of such period (being not less than 14 days) after the day of issue of the notice served under that sub-paragraph as is specified in it.

(6) If this paragraph applies in relation to a demand notice, and after the person ceases to be liable to pay an amount in respect of council tax for the relevant year he again becomes liable to make such a payment, a further notice shall be served on the liable person requiring payments in respect of the council tax as it has effect for the period in the year after he becomes so liable; and regulations 19 to 23 (and, so far as applicable, this Schedule) shall apply to the further notice with respect to that period and the sums payable by the liable person with respect to that period, as if it were a different demand notice.

(7) In this paragraph “the relevant day” means the day on which the person ceases to be liable to make payments in respect of council tax.

10.—(1) This paragraph applies where the demand notice has been served on a liable person by a billing authority, the event mentioned in paragraph 9(1) has not occurred in relation to the notice, and

- (a) the notice was so served by reference to an amount set by the billing authority for the relevant year and after the issue of the notice the authority sets a different amount in substitution for that amount under section 31 of the Act;
- (b) the notice was so served on the assumption that, as regards any day in the period to which the notice relates, the dwelling concerned would be or was a chargeable dwelling and the dwelling was not or has ceased to be a chargeable dwelling as regards any day in that period;

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- (c) the notice was so served on the assumption that, as regards any day in the period to which the notice relates, the dwelling concerned would be or was in a particular valuation band and the dwelling was not or has ceased to be in that band as regards any day in that period;
 - (d) the notice was so served on the assumption that, as regards any day in the period to which the notice relates, the person would be or was entitled to a discount and he was not or has ceased to be so entitled or was or is entitled to a discount of a smaller amount than had been assumed;
 - (e) the notice was so served on the assumption that, as regards any day in the period to which the notice relates, the person was not or would not be entitled to a discount and he was or is so entitled;
 - (f) the notice was so served on the assumption that, as regards any day in the period to which the notice relates, the person was or would be liable to pay an amount in respect of council tax and, by virtue of regulations under section 13 of the Act, he was or is liable to pay a greater or lesser amount than the amount stated in the notice; or
 - (g) the notice was so served on the assumption that, as regards any day in the period to which the notice relates, the person was or would be entitled to a reduction in the amount he is liable to pay in respect of council tax under regulations made under section 138(1) of the Social Security Administration Act 1992(1), and he was or is allowed a larger or smaller reduction than had been so assumed.
- (2) The billing authority shall on or as soon as practicable after the relevant day—
- (a) adjust the instalments (if any) payable on or after the adjustment day (“the remaining instalments”) so that they accord with the amounts mentioned in sub-paragraph (4); and
 - (b) serve a notice on the liable person which is to state—
 - (i) the amount of the revised estimate mentioned in sub-paragraph (3); and
 - (ii) the amount of any remaining instalments.
- (3) The revised estimate is the revised estimate of the billing authority of the amount that the person is liable to pay in respect of council tax for the relevant year, made on the assumptions mentioned in regulation 20(3) and as if the notice mentioned in that provision were the notice referred to in sub-paragraph (2) above.
- (4) The aggregate amount of the remaining instalments payable shall be equal to the amount by which the revised estimate mentioned in sub-paragraph (3) exceeds the aggregate amount of the instalments payable under the demand notice before the adjustment day; and where instalments are payable in accordance with Part I of this Schedule, the amount of each remaining instalment (if there are more than one) shall be calculated in accordance with that Part, as if references in that Part to the aggregate amount and to instalments were references to the aggregate amount of the remaining instalments and to the remaining instalments respectively.
- (5) If the revised estimate mentioned in sub-paragraph (3) exceeds the aggregate amount of the instalments payable under the demand notice before the adjustment day, but no instalments are payable under it on or after that day, the amount of the excess shall be due from the liable person to the billing authority in a single instalment on the expiry of such period (being not less than 14 days) after the day of issue of the notice served under sub-paragraph (2) as is specified in it; and if in any case the revised estimate is less than the aggregate amount of the instalments payable before the adjustment day, any overpayment—
- (a) shall be repaid if the liable person so requires, or

(1) 1992 c. 5. Section 138 is amended by the Local Government Finance Act 1992, Schedule 9, paragraph 19.

(b) in any other case shall (as the billing authority determines) either be repaid or credited against any subsequent liability of the person to make a payment in respect of any council tax of the authority.

(6) In calculating the aggregate amount of instalments payable under a demand notice before the adjustment day for the purposes of sub-paragraphs (4) and (5) in consequence of the making of a revised estimate under sub-paragraph (3)—

(a) there shall count as so payable any amount in respect of such instalments which has been treated as paid to the authority under section 31(3) of the Act or has been credited under section 31(4) of the Act or (on the occasion of the making of a previous revised estimate under sub-paragraph (3)) under sub-paragraph (5) above; and

(b) there shall not count as so payable any amount in respect of such instalments which has been repaid under that section or under sub-paragraph (5) above.

(7) Where a notice has been given under sub-paragraph (2), in the operation of this paragraph as respects any further notice that may fall to be given under it, references in this paragraph to the demand notice and to amounts in respect of instalments payable under it shall be construed (so far as the context permits) as references to the demand notice, and amounts in respect of instalments payable under the notice, as from time to time previously adjusted under this paragraph.

(8) In this paragraph

“the adjustment day” means the day 14 days after the day the notice served under sub-paragraph (2) is issued; and

“the relevant day” means the day with respect to which the assumption mentioned in sub-paragraph (1) is wrong or the day the amount set in substitution mentioned in sub-paragraph (1) (a) is so set.

11. More than one adjustment of amounts paid or payable under a demand notice may be made under this Part as the circumstances require.