

April 2023



Council Tax and Council Tax Reduction



Who we are

Age Scotland is the national charity for older people. We work to improve the lives of everyone over the age of 50 so that they can love later life.

Our vision is a Scotland which is the best place in the world to grow older.

Our mission is to inspire, involve and empower older people in Scotland, and influence others, so that people can make the most of later life.

Our three strategic aims are to:



Help older people to be as well as they can be



Promote a positive view of ageing and later life



Tackle loneliness and isolation

How we can help

We know that growing older doesn't come with a manual. Later life can bring changes and opportunities to your life and you may need to know about rights, organisations and services which are unfamiliar to you.

That's why we provide free information and advice to help you on a range of topics including benefits and entitlements, social care, legal issues such as Power of Attorney, housing and much more. All of our guides are available to download for free from our website, or you can contact our helpline team to have copies posted to you for free.

The Age Scotland **helpline** is a free, confidential phone service for older people, their carers and families in Scotland looking for information and advice.

Later life can bring times when you just need someone to talk to. Our **friendship line** is part of our wider helpline and older people can call us for a chat. We're here to listen, provide friendship and offer support.

For information, advice and friendship



Call us free on: 0800 12 44 222
(Monday – Friday, 9am - 5pm)



Visit agescotland.org.uk
to find out more.



Council Tax can be complicated as there are rules about who is liable to pay the bill, how the bill is calculated and how the bill may be reduced.

This guide looks at the rules most likely to apply to older people in Scotland. If your situation is not covered, or for more detailed advice, call the **Age Scotland helpline** on **0800 12 44 222**.





What is Council Tax?

Council Tax is a property-based tax which is charged on homes such as flats and houses, houseboats and mobile homes.

Each property receives one Council Tax bill.

Council Tax is managed by your local council; you should contact them if you have any queries about your bill, or to apply for a reduction, discount or exemption.

Who has to pay Council Tax?

The person responsible for the Council Tax bill is usually someone over 18 who lives there as their normal home. Sometimes more than one person is responsible for the bill, usually couples, joint owners or joint tenants.

If you rent from a landlord who lives with you, or if you live in a care home, hostel, or religious community, the owner of the property is responsible for the bill.

Council Tax bills are usually sent out in March each year.



Paying your Council Tax bill

As long as you are not behind with your Council Tax payments, you have the right to pay your bill over 10 instalments. Many councils also allow you to pay over 12 months, or make weekly payments. There are usually several different ways you can pay, for example by Direct Debit, through online banking or in cash using Paypoint or Payzone cards.

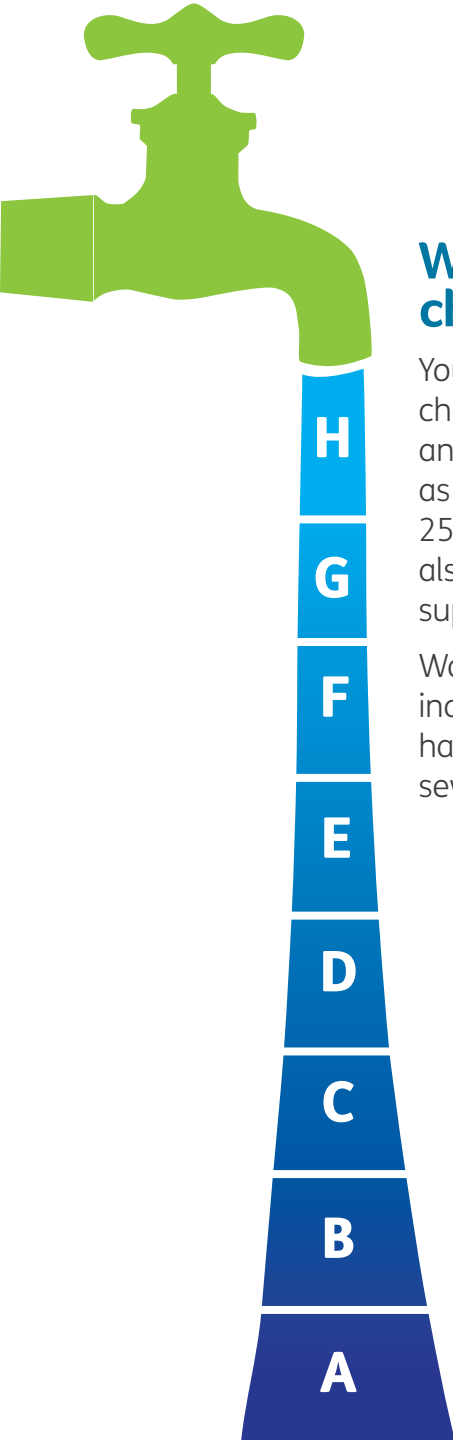
Paying your Council Tax bill is important; if you don't pay on time the council will send you a reminder notice, and may then take court action, which will increase the amount you owe .

If you are struggling to keep up with your payments, contact your council to discuss it with them, as they may be able to offer different payment arrangements. You can also speak to the Age Scotland helpline for advice, and for a free benefit check to see if you are entitled to any financial help with your Council Tax.

Council Tax Bands

Every home is placed in one of eight Council Tax bands, based on its value in 1991. The lowest is band A and the highest is band H. Changes in house prices since 1991 do not affect Council Tax valuations but major changes to the property, such as an extension which increases its value, can affect the valuation band when the property is sold.

Each council sets the charge for Band D properties in their area, and other bands are worked out as a proportion of the Band D charge.



Water and Sewerage charges

Your Council Tax bill usually includes a charge from Scottish Water for water and sewerage. If only one adult counts as living in the property you will receive a 25% discount on these charges. You may also receive a discount if you receive other support with your Council Tax costs.

Water and sewerage charges will not be included in your bill if your home does not have mains water or a connection to public sewerage.



Help with the cost of Council Tax

Depending on your circumstances, you may be able to reduce the amount of Council Tax you pay by applying for a reduction, discount or exemption.

Council Tax Reduction

If you are on a low income and have modest savings, or you receive Guarantee Pension Credit, you may be entitled to Council Tax Reduction.

Council Tax Reduction reduces the amount of Council Tax you have to pay. In some circumstances it may reduce it to zero.

Normally you can't have more than £16,000 in savings to be eligible for a reduction, but this rule doesn't apply if you receive Guarantee Pension Credit.

If you are not currently receiving Pension Credit, it's a good idea to get a benefit check to make sure you are not missing out. Even a small amount of Pension Credit can entitle you to help with your Council Tax, and other support such as help with the cost of dental treatment, glasses and contact lenses. Call the **Age Scotland Helpline** on **0800 12 44 222** to find out if you qualify.

You may also qualify for Council Tax Reduction if your home is in band E, F, G or H and your income is less than £321 per week (single person) or £479 per week (couples).



How much will I get?

Council Tax Reduction is calculated based on the level of means-tested benefits for someone of your age. The amount you receive depends on:

- which benefits you receive
- your income
- your savings
- the people who live with you and the income they have
- how much Council Tax you are liable to pay
- the Council Tax band for your home.

You may qualify for more Council Tax Reduction if you receive Attendance Allowance, Disability Living Allowance, Personal Independence Payment, Adult Disability Payment or Carer's Allowance, or if you have an 'underlying entitlement' to Carer's Allowance.

An underlying entitlement to Carer's Allowance means that you have applied for it, and received a letter saying that you qualify, but are not receiving payments because the amount of State Pension you get is too high.

If you are entitled to Council Tax Reduction, you may also receive a discount of up to 35% on the water and sewerage charges that are included in your Council Tax bill.



How to apply for Council Tax Reduction

You can claim Council Tax Reduction through your local council, online or on a paper application form. You will need to provide evidence your income and savings, as well of the income and savings of your partner if you have one, and of any other adults who live with you. If you don't have all the evidence you need, complete the form anyway, as you can send them additional information within a month of applying.

You may be able to have your Council Tax Reduction claim backdated for up to 3 months if you have reached State Pension age, and up to 6 months if you can show that you had a good reason for not applying sooner, for example because you were in hospital.

If you are receiving Council Tax Reduction and there are changes to your income or household, let the council know straight away.



Second Adult Rebate

Second Adult Rebate may reduce your Council Tax bill if someone lives with you who is not a partner or dependent child. They must have an income of less than £308 before tax, be over 18, not pay you rent as a sub-tenant or boarder, and not be paying Council Tax themselves.

If you qualify for both Council Tax Reduction and Second Adult Rebate, the council will pay you the one that helps you most.

What if my application is turned down?

If you disagree with a decision you have received about a Council Tax Reduction application, you can ask the council to look at the decision again. You have two months from the date of the decision to do this. You should write to them explaining what you think they have got wrong, and a council employee who was not involved in the original decision will review it. You will get a letter when the review has been completed, telling you whether the decision has changed.

If you are still unhappy with the decision, you can ask the Council Tax Reduction Review Panel for an independent review. You must do this within six weeks of the council's review decision.

You can contact the **Council Tax Reduction Review Panel** on **0141 302 5840** or see their website **www.counciltaxreductionreview.scot**.



Unoccupied property exemptions

Properties that are not occupied may be exempt from Council Tax in some circumstances, either with or without a time limit. Some examples of these circumstances are below.

An unoccupied property can be exempt with no time limit if the person responsible for the bill:

- is in hospital long term or living permanently in a care home. The property must last have been used as their home, and they must have been receiving care continuously since they left
- has gone to live somewhere else, to provide or receive personal care, due to age, illness, disability, drug or alcohol dependence, or mental illness
- lives in part of a property that would be difficult to let separately, such as a 'granny flat'.

An unoccupied property can be exempt with a time limit if it is:

- unoccupied and unfurnished (up to 6 months)
- unfit to live in because of major repair work or structural alteration (12 months from the date it was last occupied)
- empty because the owner has died (6 months, then the council can offer a discount of 10% to 50% for a further 6 to 12).

If a property has been empty for more than 12 months, and does not qualify for an exemption, the council is allowed to charge double the amount of council tax.



Severe mental impairment exemptions

If you, or someone in your household, is classed as having a severe mental impairment, you may be entitled to a Council Tax exemption. This will include some people who are living with dementia. This exemption means that:

- if all adult occupants of the property have a severe mental impairment, they will receive a 100% discount
- if one adult occupant has a severe mental impairment, and the only other adult occupant does not, they will receive a 25% discount.

To qualify, contact your council to get a form for your doctor to sign to say you have a severe mental impairment. You also need to be eligible for a disability-related benefit such as Attendance Allowance, Adult Disability Payment (daily living component) or Personal Independence Payment (daily living component).



Single Person Discount

Council Tax charges assume that there are two or more people over the age of 18 living in each home. There is a 25% discount on the bill if only one person counts as living there, regardless of your income and savings. The discount applies to the water and sewerage part of your bill too.

People who live in a property but do not count for Council Tax purposes include:

- someone who receives a disability benefit like Attendance Allowance, whose doctor has completed a certificate to say that they are severely mentally impaired
- a live-in carer, whether paid or not, caring for 35 hours or more a week for someone who receives a disability benefit like Attendance Allowance. This does not apply if you are caring for your partner or dependent child
- someone who normally lives in hospital or care home (temporary stays do not count)
- someone who normally lives somewhere else.



Disability Reduction Scheme

The Disability Reduction Scheme may reduce the amount you need to pay, if you or someone you live with has a permanent disability, and you have either:

- an additional bathroom or kitchen for the use of the disabled person
- a room (other than a bathroom, kitchen or toilet) mainly used by the disabled person to meet their needs
- extra space indoors which is needed so someone can use a wheelchair.

The Disability Reduction Scheme reduces your Council Tax payment by one Council Tax band, or reduces the amount you have to pay if you are already in the lowest band.

Second homes and holiday homes

Councils must offer a second homes discount of between 10% and 50% on furnished second homes or holiday homes. The property must not be anyone's normal home, but must be furnished and lived in for at least 25 days per year.

Other discounts

Councils can make other discounts available in their area, for example because of hardship or a natural disaster. Governments can also agree rebates for eligible households to tackle specific problems, such as the cost-of-living rebate in 2022.



Useful contacts

Age Scotland helpline: 0800 12 44 222

The Age Scotland helpline provides information, friendship and advice to older people, their relatives and carers.

If you need an interpreter call **0800 12 44 222** and simply state the language you need e.g. Polish or Urdu. Stay on the line for a few minutes and the Age Scotland helpline will do the rest.

You can call us for a copy of our publications list or download / order copies from our website at **www.agescotland.org.uk**.

Citizens Advice Scotland

Citizens Advice Scotland has developed an online calculator that can help you work out whether you are entitled to help with Council Tax. See their website at **www.checkmycounciltax.scot**.

For free, confidential and independent advice on a wide range of topics including housing, money, benefits, employment and consumer issues, you can contact **Citizens Advice Scotland** on **0800 028 1456**, or visit their website **www.cas.org.uk**.

Disclaimer

While we aim to ensure that the information in this document is factually correct at the time of production, Age Scotland cannot be held liable for any errors or omissions. Please ensure that you have an up to date factsheet and that it clearly applies to your situation.

No guide can ever be a complete guide to the law, which also changes from time to time. Legal advice should always be taken if you are in doubt.

Please note that the inclusion of named agencies, companies, products, services or publications in this factsheet does not constitute a recommendation or endorsement by Age Scotland.

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How you can help

Our vision is a Scotland which is the best place in the world to grow older.

All the information and advice we provide is free and completely impartial and in helping people access their rights and entitlements, it can be life changing.

We are an ageing population and more people than ever are coming to us for support. You can help us be there for those that need us most.



Make a donation

No matter how small or large, donations make a massive difference and help us continue our important work.

- ▶ Call **03330 15 14 60**
- ▶ Visit **age.scot/donate**
- ▶ Text **LATERLIFE** to **70085** to donate £5.*



Fundraise

Whether it is having a bake sale, running a marathon or knitting small hats for the Big Knit, there are so many ways to raise vital funds to support our work. To find out more, call **0333 323 2400** or visit **age.scot/fundraise**.



Leave us a gift in your Will

By choosing to leave us a gift in your Will, you can help Age Scotland to continue being there for vulnerable older people in the years to come. To find out more, call **0333 323 2400** or visit **age.scot/legacy**.

* Texts cost £5 plus one standard rate message

Let's keep in touch



Sign up to our newsletter

Our regular newsletters by email contain details of our campaigns, services and how you can support our work.

Sign up today by visiting age.scot/roundup



Follow us on social media

Our social media channels are a great way to keep up to date with our work and issues that affect older people.



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