

# Council tax

Council tax is levied by local authorities on residential properties in England and Wales in order to help meet the cost of local services. People with dementia and their carers may be eligible for relief on their council tax bill.

## Council tax

The amount of council tax payable on each dwelling depends on which of the eight charge bands it comes into, the rate of tax set by individual local authorities each year and whether those paying are eligible for reductions or exemption. The tax applies to both owner-occupied and rented homes.

Northern Ireland has a rates system in which every property is valued individually. For information on discounts and exemptions in Northern Ireland, contact the rebate section of the rate collection agency in your local area. The address will be in your telephone book.

You may be eligible for one or several types of relief on your council tax bill, or for exemption, but you will need to apply. Check with the council tax section of your local authority or an advice agency or telephone the Benefit Enquiry Line for People with Disabilities, their Carers and Representatives on 0800 88 22 00 (Textphone 0800 24 33 55).

## Who pays

One or more people can be legally responsible for paying the council tax for each dwelling. Joint owners and joint tenants are both responsible, as are husbands and wives, and people living together as partners.

Where there is joint responsibility and one person fails or refuses to pay, the other will be liable for the whole amount. However, there are exceptions to this rule. For example, a severely mentally impaired person would not be responsible for paying the council tax owed by their partner, providing they are receiving an appropriate disability benefit (see Discounts, disregards and exemptions below).

In the case of residential and nursing homes and some houses in multiple occupation, the owner will be responsible for paying the council tax and not the residents.

## Discounts, disregards and exemptions

The best way to understand the complex system of discounts and exemptions from council tax is to look at a series of examples involving people with dementia. You may find that some local authorities ask for a doctor's certificate confirming severe mental impairment in addition to proof that the person with dementia is receiving appropriate disability benefits.

The bill for each home is calculated on the assumption that two or more adults are living there. People living on their own are entitled to a 25 per cent single person's discount.

## The person with dementia who lives alone

Anyone with a severe mental impairment, including dementia, who is living on their own and is receiving an appropriate disability benefit (such as attendance allowance, or the higher or middle care components of disability living allowance) is exempt from paying any council tax.

## **The person with dementia who lives with a partner or another family member**

If the person with dementia is living with one other person, such as a partner, and is receiving appropriate disability benefits, they can be disregarded for council tax purposes. The severe mental impairment disregard should be claimed, which gives a 25 per cent discount.

## **The person with dementia who lives with a paid carer**

Carers who live with and care for a person with a disability for at least 35 hours a week and who are claiming invalid care allowance, may be exempt from paying council tax, providing the person with dementia is not claiming exemption.

The carer must not be the person with dementia's partner or a child under 18 years. The person they are caring for should be receiving the higher rate of the care component of the disability living allowance, or attendance allowance, or certain other disability benefits.

However, even if the carer and the person with dementia are both claiming exemptions, 50 per cent of the council tax due on the property will still need to be paid. This will be paid by the carer, who may qualify for council tax benefit.

## **Exemptions on properties**

Some domestic properties are exempt from council tax. These include properties left empty and unfurnished because someone is in long term hospital care, a residential home or a nursing home, or has gone to live with someone else who will provide them with necessary personal care.

You may also be able to claim an exemption on a property if you have to move elsewhere to provide personal care for another person.

Second homes and holiday homes are liable for council tax but there is a discount because nobody lives there. In England the discount is between 10 and 50 per cent. In Wales it is either 25 per cent or 50 per cent, or there is no discount. In Scotland it is 50 per cent.

## **Reduction for disabilities scheme**

You may be able to claim a reduction in your bill if someone living in your home has a disability and needs special facilities. These could include a room that is mainly used by the disabled person, an extra bathroom or kitchen, or space inside the home so that a person can move around in a wheelchair.

The facilities do not have to be specially installed but they do have to be important for the well-being of the disabled person. If your home is eligible your bill will be reduced to that of the band immediately below, although it will still be shown in the original band in the valuation list. Those with band A properties (the lowest band) can apply to have their bills reduced proportionally.

Apply to your council if you think you may be entitled to a reduction. If the council refuses, you can appeal to a valuation tribunal. However, if you are already receiving full council tax benefit, it is probably not worth applying for this reduction.

## Council tax benefit

An individual or couple responsible for paying council tax may qualify for the main council tax benefit if they have a low income and no more than £16,000 in savings.

A person entitled to income support, income-based job seeker's allowance or the guaranteed credit of Pension Credit should receive the maximum amount that will cover the whole cost of the council tax bill.

People who are not entitled to any of the above benefits may still be able to claim council tax benefit providing they have a low income and their savings are below £16,000. The size of the benefit will depend on the amount of income and savings and the amount of council tax due. It could cover the whole cost. Savings of between £16,000 and £3,000 will reduce your benefit if you are below pension age. Savings of between £16,000 and £6,000 will reduce your benefit if you are of pensionable age.

Your benefit may also be reduced if there are other adults living in your home who might be expected to make a contribution towards the council tax. Council tax benefit should be claimed from the local authority.

If you are sharing your home with one or more people on a low income you may be able to claim a second adult rebate even if you yourself do not qualify for council tax benefit because your savings or income are too high. This does not apply if one of the people sharing is a partner or if a rent is being paid. Contact your local authority for information.

There are different ways to appeal against various decisions taken on council tax and council tax benefit. Check on the appropriate procedures with the council tax section of your local authority.

## Further reading

We can provide a list of further reading on request. Please contact the librarian at the Alzheimer's Society national office on [library@alzheimers.org.uk](mailto:library@alzheimers.org.uk).

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