

Orkney Islands Council. Council Tax Exemptions Information Leaflet.



1. Introduction

Council Tax is charged on all domestic dwellings but some dwellings may fall into an exempt category that means there will be no Council Tax to pay. There are many categories of exemption and includes dwellings where all the residents are students and some empty dwellings.

The following paragraphs broadly explain which types of dwelling may be exempt and whether the exemption may be time limited. There are 3 main types of exemptions, as follows.

- Unoccupied dwellings, subject to a time limit on the exemption awarded.
- Unoccupied dwellings, where exemption is awarded without a time limit.
- Occupied dwellings.

2. Unoccupied dwellings, subject to a time limit

2.1. A new unoccupied and unfurnished dwelling

This applies only to a new dwelling that has been entered onto the Valuation List for the first time. The property must be unoccupied and unfurnished throughout and exemption will apply for no more than 6 months from the date of entry in the Valuation List.

2.2. An unoccupied and unfurnished dwelling

All moveable furniture must be removed from the dwelling before the exemption can be awarded. Exemption will apply for no more than six months from the date the dwelling was last occupied, after which a 50% discount will apply for a further 6 months (the 50% discount will not apply to any water or waste water charges).

2.3. Deceased owners

This applies to an unoccupied dwelling in respect of which the liability to pay Council Tax would fall to be met solely out of the estate of a deceased person. For example, where ownership of the property is still in the name of the deceased person. Exemption will apply for no more than 6 months from the date of the grant of confirmation.

2.4. An unoccupied dwelling which is undergoing repair

This applies to an unoccupied dwelling which is undergoing, or has undergone, major repair work to render it habitable or is undergoing, or has undergone, structural alteration (this does not apply to routine decoration). Exemption will apply for no more than 12 months after the last day of occupation.

2.5. An unoccupied dwelling last occupied by a charitable body

This applies to an unoccupied dwelling owned or rented by a Charity, which when last occupied was used for charitable purposes. Exemption will apply for no more than 6 months from date of last occupation.

2.6. An unoccupied dwelling, which within the last 4 months was last occupied by a full-time student(s)

This exemption applies to properties that are not the sole or main residence of any person other than a student. It is intended to apply to property previously let to students which is left empty during holiday periods between academic sessions.

3. Unoccupied dwellings, without a time limit

3.1. An unoccupied dwelling, the occupation of which is prohibited by law

This applies where the occupation of the property has been prohibited by an Act of Parliament, for whatever reason.

3.2. Agricultural dwellings

This applies where the property is both unoccupied and unfurnished, is situated on agricultural land, and which when last occupied was used in connection with agricultural or pastoral purposes.

3.3. An unoccupied dwelling, which was last occupied by a person who is now living in a hospital, a residential care home or a nursing home

This applies to an unoccupied dwelling, which on the last occupation day was previously the sole or main residence of a person who is now living in a hospital, a residential care home or a nursing home, and who would otherwise be liable for Council Tax.

3.4. An unoccupied dwelling, which was previously the sole or main residence of a person who is now living elsewhere to receive personal care

The person must be living elsewhere to receive personal care due to old age, disablement, illness, past or present alcohol or drug dependence, or past or present mental disorder, and who would otherwise be liable for Council Tax.

3.5. An unoccupied dwelling, which was previously the sole or main residence of a person who is now living elsewhere to provide personal care for someone

The person must be living elsewhere to provide personal care for someone who needs care due to old age, disablement, illness, past or present alcohol or drug dependence, or past or present mental disorder, and who would otherwise be liable for Council Tax.

3.6. An unoccupied dwelling, which was last occupied by a person who is now in prison

This applies to an unoccupied dwelling which on the last occupation day was the sole or main residence of a person who is now in prison and who would otherwise be liable for Council Tax.

3.7. Dwellings awaiting demolition

This applies to an unoccupied dwelling which is owned by a Local Authority or Scottish Homes and is kept unoccupied as it is due to be demolished.

3.8. Dwellings for occupation by ministers

This applies where an unoccupied property is being held by, or on behalf of, a religious body for the purpose of being available for occupation by a minister of religion as a residence from which to perform the duties of their office.

3.9. An unoccupied dwelling which is owned or tenanted by a full-time student(s) who now has their sole or main residence elsewhere

This is aimed at students who have lived in the property immediately before becoming a student and are now residing elsewhere in order to undertake their studies.

3.10. Repossessed dwellings

This applies where the property is unoccupied and lawful possession has been entered into by a creditor who has called up the heritable security over the dwelling.

3.11. Dwellings of persons made bankrupt

This exemption applies where the property is unoccupied and the property is vested with the permanent trustee, such as the Accountant in Bankruptcy.

3.12. An unoccupied dwelling which is difficult to let due to the proximity of your own sole or main residence

Certain unoccupied dwellings which are within the curtilage of another dwelling, are difficult to let separately and for which the liable person is resident in that other dwelling. For example, empty granny flats or staff accommodation in a larger property.

4. Occupied dwellings

4.1. A dwelling occupied solely by full-time students

To qualify as a student, you must either.

- Study for at least 24 weeks for 21 hours per week in each academic year.
- Be a foreign language assistant working in a school or other educational establishment and be registered with the British Council.

- Be under 20 years old and studying for a non-advanced course for at least 12 hours a week for 3 months. Non-advanced courses include A levels, Highers, and Level 3 Scottish Vocational Qualifications.

4.2. A dwelling occupied solely by care leavers aged under 26 years

This applies to a dwelling occupied solely by care leavers who are under 26 years of age, who were on their 16th birthday or at any subsequent time looked after by a local authority. This exemption cannot be applied before April 2018.

4.3. A dwelling occupied solely by a person(s) who is severely mentally impaired

The person must have a severe impairment of intelligence and social functioning, which appears to be permanent, and must also receive certain benefits.

4.4. A dwelling in which the only residents are under 18 years of age

4.5. Student Halls of Residence

This applies to property which is part of a halls of residence provided predominantly for the accommodation of students and is owned or managed by a College or University, or a body established for charitable purposes only.

4.6. A dwelling held by a Housing Association as a 'trial flat' for the disabled or pensioners

This exemption allows a property to be kept free for trial purposes to see if residents can adapt to a more permanent stay in similar properties owned by the association. For example, trying out sheltered housing pending a formal tenancy being granted in another similar property.

4.7. Dwellings owned by the Secretary of State for Defence and held for the purpose of armed forces accommodation

5. What to do if you think your dwelling is exempt?

If you own, or live in, a dwelling which you think might be exempt from payment of Council Tax, you should complete the Council Tax Exemption application form provided by the Council and give as much information as possible to support your case. You can also contact the Council for more advice and information.

You may be asked for further information and it is in your interests to provide this quickly. Entitlement to exemption is assessed on a daily basis and may change if your circumstances change.

You have a statutory obligation to notify the Council if an exemption which has been applied to your bill should be withdrawn or reduced. If you do not inform the council within 21 days you may face a penalty of £50.

6. Will you get a bill for an exempt dwelling?

If you are liable for Council Tax on these types of dwelling you will be sent information about the Valuation Band for the property and what the Council Tax would be if it were not exempt.

If the council notifies you in writing that it believes your property is exempt, but you realise that it should not be, you must write and tell the council or you may face a penalty.

7. What can you do if the Council says your property is not exempt?

Once the Council has made a calculation of your Council Tax, you should write to the Council giving the reasons why you think you should get an exemption.

The Council has 2 months to make a decision. If the Council is still refusing to give you an exemption, or it has not acted within the 2 month period, you will be able to appeal to a Valuation Appeal Committee.

You must continue to pay your original bill while your appeal is outstanding.

8. How information about you will be used

If you apply to the Council for an exemption you will be asked to provide information to determine if you are entitled to any relief and to process your application. The Local Government Finance Act 1992 is the legal basis for the Council processing your personal information – to determine Council Tax exemption.

The information may be shared as follows.

- Within the local authority, with other local authorities and Audit Scotland to detect and prevent fraud.
- Within the local authority to help improve the services provided by the Council, such as information on properties that become empty or become occupied.
- With the Assessor to maintain the Council Tax Valuation List and to evidence empty properties.
- With the Electoral Registration Officer to determine eligibility to vote.

Any medical information that you provide to support your application is treated as special category personal data and will only be disclosed to third parties as necessary for the operation and administration of Council Tax.

For more information about how we process information, how long we retain the information, or the right to complain please contact us or visit <http://www.orkney.gov.uk/Online-Services/privacy.htm>. If you are unable to access the Council's website you can request a paper copy from the Council.

Users of smartphones can also scan the code below to access the information.



9. Finding out more

This leaflet deals with the main features of the Council Tax Exemption scheme. It does not cover every detail and should not be regarded as a comprehensive statement of the law.

If you need further information you should contact the Council Tax Section, Orkney Islands Council, Council Offices, Kirkwall, KW15 1NY.

Telephone: 01856873535 Extension 2133.

Telephone: 01856886322 (direct dial).

Email: revenues@orkney.gov.uk

Orkney Islands Council website: <http://www.orkney.gov.uk/>

Document date – February 2019.