

Council Tax Increase

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Introduction – why increase council tax for empty homes

- Scottish Government is committed to tackling empty homes – both a wasted resource and a blight on communities
- Manifesto commitment to allow Councils to increase council tax charges
- Council tax increase will be part of wider work by Councils to encourage owners to bring homes back into use
- For the next year, the Empty Homes Partnership will continue to assist Councils with their empty homes work, including introducing the increase
- Before Christmas, we hope to announce the successful bidders to the Empty Homes Loan Fund, the Partnership will also be providing assistance to these projects

What will legislation allow for?

- **Local Government Finance (Unoccupied Properties etc.) (Scotland) Bill**
 - allows for regulations to enable Councils to charge an increase for unoccupied homes
 - increases Councils' powers to require owners to provide information and penalty charges
 - allows for regulations to reduce the level of empty property relief for commercial properties
 - ends the requirement to pay Housing Support Grant

Local Government Finance (Unoccupied Properties etc.) (Scotland) Bill

- The Bill was passed by Parliament on 31 October and is due to receive Royal Assent shortly
- Regulations will be laid immediately following Royal Assent
- Regulations will be subject to amendment by Parliament – the following slides are based on our current proposals following the recent consultation

The proposals for regulations

Variation for Unoccupied Dwellings regulations

- Allow Councils to impose an increase of up to 100% of the standard council tax rate for that property for homes that have been unoccupied for one year or longer (whether furnished or unfurnished);
- Allow Councils to offer a discount of between 10% and 50% for homes that are unoccupied for less than a year;
- Require Councils not to impose an increase for 2 years after a homes has become unoccupied where it is being actively marketed for sale or for let;
- Define a second home as a home which is not someone's main residence, but is occupied for a minimum of 25 days per year.

The proposals for regulations 2

Administration and Enforcement (Amendment) regulations

- Allow Councils to require owners to provide information on whether their home is unoccupied;
- Require owners to let the Council know if they are being undercharged because the Council is unaware e.g. that the home is unoccupied;

Exempt Dwellings (Amendment) Order

- Amend definition of an empty home so homes have to be reoccupied for at least three months before the owner can claim an exemption again.