

Local Government and Public Service Committee

LGPS(2)-05-06(p.6)

Date: Wednesday 15 March

Venue: Committee Room 3&4, National Assembly for Wales

Title: Reimbursement of Council tax

Purpose

Paper to note.

Background

At a previous LGPS Committee meeting I undertook to provide a note to advise members of the procedure for the reimbursement of council tax as the result of a successful revaluation appeal. Members had queried whether local authorities would issue a cheque or adjust the taxpayer's bill in future years to take account of the reduction in liability.

Advice

The Administration and Enforcement Regulations 1992 require that when the amount chargeable for council tax changes after the issue of a demand notice, the billing authority must issue an adjustment notice.

Where an adjustment reduces the amount due, the notice must state the revised amounts. Where an overpayment has been made, the billing authority must refund the amount in question if that is what the taxpayer requires. Otherwise, the authority may credit the amount against any subsequent council tax liability.

Where an adjustment causes an increase in the amount due, and the taxpayer is paying in instalments, the remaining instalments must be adjusted and the taxpayer notified of the change. If instalments do not apply, the adjustment notice must state the new chargeable amount, specify when any additional tax is due and allow at least 14 days from the date of the issue of the notice.

Financial Implications

None

Action for Subject Committee

To note the information provided above.

Sue Essex

Minister for Finance, Local Government and Public Services

Contact Point: Jackie Nicholls, Local Government Finance Division, Tel: 029 2082 1799