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## **WRITTEN STATEMENT BY THE WELSH GOVERNMENT**

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**TITLE** Consultation on proposals to refine the classification of self-catering properties for local tax purposes – summary of responses

**DATE** 21 January 2026

**BY** Mark Drakeford MS, Cabinet Secretary for Finance and Welsh Language

Today, a summary of responses to the [consultation](#) on proposed refinements to the treatment of self-catering properties for local tax purposes is published. I also confirm that I have made the Order required to implement the two specific proposals to refine the way the letting criteria used to classify such properties are applied.

Firstly, we proposed to enable an average of days let over multiple years to be taken as evidence of compliance, where 182 days letting are not achieved in the previous year. This is intended to provide an opportunity for operators whose compliance lapses by a narrow margin to potentially achieve 182 days letting again, before they would otherwise become liable for council tax.

Secondly, we proposed to enable an allowance of up to 14 days per year for donations to charity of short breaks to count towards the letting criteria. This is intended to ensure any such donations are not disincentivised and support the wider public benefit they provide.

In addition, the consultation also sought views on the Welsh Government's intention to encourage local authorities to support self-catering operators who do not meet the non-domestic rates letting criteria with a stepped transition to council tax, charged at the standard rate of council tax for the first year before any premium is applied.

The consultation received 1,211 responses. I am grateful to those who took the time to respond and recognise the range of views provided. A large majority of respondents supported each of the three proposals.

I recognise the strength of feeling among self-catering operators and others about the design of the local tax system. As I set out when I launched the consultation, our proposals respond, in the manner considered appropriate, to matters raised by the self-catering sector during implementation of the new letting criteria.

The Welsh Government's policy position was set out in my previous statement on this matter and in the consultation. Recognising that 60% of self-catering properties have already met the letting criteria, we remain of the view that, for a property to be classified as non-domestic for local tax purposes, it should be let for the majority of the year.

Following the consultation, I will proceed with the necessary steps to enable the proposed refinements to the application of the letting criteria to take effect from 1 April 2026. The Non-Domestic Rating (Amendment of Definition of Domestic Property) (Wales) Order 2026 has been made and laid before the Senedd for that purpose.

In considering the consultation responses, I have also decided to legislate for a statutory exception from a council tax premium, to ensure the proposal for a stepped transition is applied on a consistent basis nationally across Wales. The necessary regulations to deliver this proposal will be developed and brought forward as soon as possible, to apply from 1 April 2027. The Welsh Government will work with local government to deliver these policy refinements.

The summary of responses to the consultation is available at: [Proposed refinements to the classification of self-catering properties for local tax purposes | GOV.WALES](#)