

A GUIDE TO YOUR COUNCIL TAX REDUCTION STATEMENT OF REASON



Your Council Tax Reduction Statement of Reason gives you further details of how we have calculated your reductions based on your circumstances.

It is your responsibility to ensure we are using the correct information to calculate your reduction. Using the guide below, please check all the details are correct, if not please tell us immediately if anything is wrong or missing.

- 1 Claim Reference** – This is your Council Tax reduction Claim Reference. Please quote this number when you contact us.
- 2 Council Tax Reference** – This is your Council Tax Account Reference number. Please also quote this number when you contact us.
- 3 Date** – This is the date that your Council Tax Reduction Statement of Reason was issued.
- 4 Reason for Calculation** – This is the reason your claim has been assessed. For example; if your circumstances have changes or an annual calculation for your Council Tax bill.
- 5 Income** – This will show the details about all the income and benefits that you receive for your household.
- 6 Expenses** – This will show if you have any expenses. E.g. Childcare costs.
- 7 Capital** – This will show the amount of capital you have. E.g. savings, shares or property.
- 8 Weekly Income** – This information shows that we have used the above in relation to what benefit entitlement you have.
- 9 How your reduction is worked out** - This shows your reduction calculation step-by-step, until we get a final amount of Council Tax Reduction.
 - a) **Eligible weekly Council Tax** – This will be your annual Council Tax charge converted to a weekly amount
 - b) **Less Scheme Reduction** – This will be the amount that is calculated as the maximum Council Tax reduction
 - c) **Give Amount of calculated Reduction** – This will show the final amount of Council Tax reduction that is due to you; it is shown as a weekly amount.
On your Council Tax Bill, this amount will be converted to an annual amount to show the Council Tax Reduction over the period of your bill.

Contact us:

| | |
|-------------------|--|
| Email | benefits@ipswich.gov.uk |
| Online | www.ipswich.gov.uk |
| Phone | Helpline – 01473 433910 (weekdays 8:30am – 5pm) |
| In writing | Revenues, Grafton House, 15-17 Russell Road, Ipswich IP1 2DE |

Grafton House, 15-17 Russell Road, Ipswich, IP1 2DE

COUNCIL TAX REDUCTION STATEMENT OF REASON
Please read the notes overleaf carefully. This also gives your appeal rights

Mr Joe Customer
1 Russell Road
Ipswich
IP1 2DE

| | | |
|----------|----------------------------------|-------------|
| 1 | Claim Reference | 00001064 |
| | Council Tax Reference | 3000164 |
| | PIN | 53374 |
| 3 | Date | 01 Mar 2013 |
| | Reduction Enquiries Workgroup | 1 |

Re: Mr Joe Customer, 1 Russell Road, Ipswich, IP1 2DE

Reduction Period From 01 Apr 2013 To 31 Mar 2014

4 REASON FOR CALCULATION: Annual Calculation

5 INCOME / EXPENSES / CAPITAL DETAILS USED

Income: Income Support, Child Benefit first child £20.30, Child Tax Credit Element £119.36

6 Expenses: No Expenses

Capital: **7** No Capital

Because your reduction is calculated to 6 decimal places and this notification displays this to two decimal places, there may be a rounding error on this letter causing the amount of reduction to display incorrectly

8 Weekly Income
Out of Work Benefit

In working out your weekly reduction we have used the following information: Claim based on Out of Work Benefits

9 How Your Reduction is Worked Out

| | | |
|----------|---|---------------|
| a | Eligible Weekly Council Tax | £14.12 |
| b | Less Scheme Restrictions | £14.12 |
| | Gives Calculated Reduction | £14.12 |
| | Applying Scheme Cap gives | £14.12 |
| | Applying Minimum Reduction Award | £0.00 |
| c | GIVES AMOUNT OF CALCULATED REDUCTION | £14.12 |

YOU MUST TELL US IMMEDIATELY IF YOUR CIRCUMSTANCES CHANGE

YOU AND YOUR COUNCIL TAX

The rules are changing for Council Tax and Council Tax Benefit. This may affect you. Please read on and check your bill. Some people who have not had to pay Council Tax before may now have to make payments.

Council Tax Benefit will no longer exist after 31st March 2013 and will be replaced with a Council Tax Reduction Scheme. From April 2013, all people of working age will have to pay something towards their Council Tax and the amount you need to pay is shown on your bill.

If you own an empty property you will be affected by the changes as your Council Tax Discount will have been reduced or in the case of long term empty properties a premium added. Further information is available on www.ipswich.gov.uk

Who has to pay Council Tax?

There is one Council Tax bill for each home whether it is owned or rented.

In most cases the person (or people) aged 18 or nearest the top of the following list is responsible for paying the tax:

- Owner-occupiers;
- Leaseholders;
- People who pay rent;
- Residents who have a license to occupy the property, for example, people who live in tied cottages;
- Residents with no legal interest in the property;
- People who own property but do not live in it.

Council Tax Banding

The amount of Council Tax you pay depends on the band that your property has been put into by the Valuation Office Agency (VOA). The VOA puts each property into one of eight valuation bands based on open market values at 1 April 1991.

| Band | Value at 1/4/91 | Proportion of band D |
|------|----------------------|----------------------|
| A | Up to £40,000 | 6/9 |
| B | £ 40,001 to £52,000 | 7/9 |
| C | £ 52,001 to £68,000 | 8/9 |
| D | £ 68,001 to £88,000 | 1 |
| E | £ 88,001 to £120,000 | 11/9 |
| F | £120,001 to £160,000 | 13/9 |
| G | £160,001 to £320,000 | 15/9 |
| H | More than £320,000 | 2 |

Council Tax Appeals

You may appeal to the Valuation Office against the banding of your property. Contact: The Listing Officer, Council Tax East, Valuation Office Agency, Ground Floor, Ferrers House, Castle Meadow Road, Nottingham NG2 1AB

cteast@voa.qsi.gov.uk

Tel: 03000 501 501

Liability

You can appeal against the council's decision that you are liable for Council Tax, that a property should or

should not be exempt, whether a discount should or should not be allowed, or any decision taken by the Council in respect of the amount of Council Tax Reduction applied to your bill.

In the first instance, appeals of this nature must be made in writing to the address on your bill.

Making an appeal does not mean you can withhold payment of Council Tax. If your appeal is successful, future payments will be reduced and any overpayments refunded.

Is my property exempt from Council Tax?

You may be entitled to an exemption from Council Tax if your property is:

Unoccupied

- B** - Empty and owned by a charity (exemption up to six months only)
- D** - Left empty by a person in prison or other form of detention
- E** - Left empty by a person permanently resident in a hospital or care home
- F** - Left empty where the liable person has died and the deceased's executors or personal representatives are now liable (up to six months after grant of Probate)
- G** - A property where occupation is prohibited by law
- H** - Empty and held for occupation by a minister of religion from which to perform his/her duties
- I** - Left empty by a person receiving care
- J** - Left empty by a person providing care
- K** - Left empty by a student who owns the property
- L** - Unoccupied and in the possession of the mortgagee
- Q** - Left empty by a bankrupt where the Trustee in bankruptcy is liable
- R** - An empty caravan pitch or boat mooring
- T** - An unoccupied annex unable to be let separately

Occupied

- M** - Halls of residence
- N** - Occupied by full-time students and non-British spouses of students
- O** - Occupied by the Ministry of Defence (MOD) for armed forces accommodation (e.g. forces barracks or married quarters)
- P** - Occupied by a member of a relevant visiting force (for example, the United States Air Force)
- S** - Occupied only by persons aged under 18
- U** - Occupied only by persons who are severely mentally impaired
- V** - A property that is the main residence of a person with diplomatic privilege or immunity
- W** - An annex occupied by certain dependant relatives of the resident(s) living in the main property

Do I qualify for a discount?

The full Council Tax assumes there are two or more adults living in a property. If only one adult lives in a property, the Council Tax is reduced by 25%. People in the following groups may not be liable for Council Tax and may not count towards the number of adults resident in a property:

- Full-time students and non-British spouses of students, student nurses, apprentices and Youth Training trainees
- Patients resident in a hospital or care home permanently
- People who are severely mentally impaired
- People who are staying in certain hostels for the homeless or night shelters
- 18 and 19 year olds who are at, or have just left school and Child Benefit is in payment
- Certain types of care workers, usually working for charities
- People caring for someone with a disability who is not a spouse, partner or child under 18
- Members of religious communities
- People in prison or other forms of detention
- People with diplomatic privilege or immunity
- Members and dependants of International Headquarters and Defence Organisations
- Members or dependants of visiting forces

Reductions for people with disabilities

The Council Tax bill may be reduced for properties that have a special room set aside for the needs of a

resident disabled person or an additional bathroom or kitchen required by the disabled person or sufficient floor space to allow the use of a wheelchair indoors. The relief is the equivalent to reducing the valuation band to the one below, and ensures that disabled people do not pay more because of a need for extra space. The reduction includes band A dwellings.

Circumstances where other discounts may apply

The following types of property may be eligible for a reduced rate of Council Tax:

- **A property which is empty and unfurnished (28 days)**
- A property that is uninhabitable or undergoing major structural repair work (maximum 12 months).

Long term Empty Property

From 1st April 2013 properties that have been empty and unfurnished for over two years, will be charged an empty homes premium of 50% in addition to the full charge.

The Council Tax Reduction Scheme

Council Tax Benefit will no longer exist from 31st March 2013. Each council will now have a new scheme called the Council Tax Reduction Scheme. If you are on a low income, you may qualify for help. Any Council Tax Reduction you are awarded will be shown on your Council Tax bill and will reduce the amount you have to pay. You could receive help, even if you are working. However, if you have more than £16,000 in savings or investments you will not usually qualify. The reduction awarded will depend on the amount you are liable to pay; the needs of your family; your income; your savings and anyone else living with you.

Anyone who would have previously qualified for Council Tax Benefit as at 1st April 2013 will automatically be awarded any reduction under the new scheme. If you do not have any reduction showing on your bill and think you may qualify, you will need to submit an application.

Please go to **www.ipswich.gov.uk**

Reminders and Summonses

Everyone has the right to pay Council Tax by instalments, but you must pay regularly and on or before the instalment due date shown on your bill. If your payments fall behind more than twice in a year, you can lose that right.

We check accounts every month. If you do not pay an instalment when it is due, we will send you a reminder asking you to pay it within seven days. If you do not pay after the reminder, or it is the third time that you have fallen behind with your payments, you may lose your right to pay by instalments. If this happens, you will have seven days to pay the balance of your account (the amount outstanding for the rest of the financial year). If you do not pay your account in full, we will send a court summons for the outstanding balance. Court costs will be added. If you are having problems paying your bill, tell us immediately. You might qualify for a discount, or we may be able to help by making a special payment arrangement.

Financial Information

Financial information about your Council, the County Council and the Police and Crime Commissioner is no longer included with your bill but is available online. Please go to www.ipswich.gov.uk.

Frequently Asked Questions

I am on benefit, why have I got a bill to pay?

Council Tax Benefit has been abolished by the Government and it has been replaced by a Council Tax Reduction scheme. In Ipswich, everyone of working age has to pay some Council Tax, whatever their circumstances.

I pay by Direct Debit – do I need to do anything?

No. Your Direct Debit will automatically carry over to your new bill and we will collect the installments on the date shown.

How do I set up a Direct Debit?

Complete the online form on www.ipswich.gov.uk or call us (details are on the back of your bill).

I pay by Standing Order. What do I need to do?

Tell your bank the account number shown on your bill and ask it to adjust the figures to the new instalment plan shown.

How can I pay?

Payment options that are available are:

- Direct Debit
- Online payment system via www.ipswich.gov.uk
- By telephone: 01473 433777 (available 24 hours)
- At a Payzone or Post Office, using the barcode on your bill

More details are available on www.ipswich.gov.uk

How much has my bill gone up?

The percentage difference is on your bill. Financial information about your Council, the County Council and the Police and Crime Commissioner is no longer included with your bill but is available online. Please go to www.ipswich.gov.uk.

I don't agree with my Council Tax band – what can I do?

You can view the band for your property on the Valuation Office Agency website www.voa.gov.uk. If you think the band is wrong, you can find out how to request a review.

My circumstances have changed and my bill needs updating?

If your address details have changed, you can report this online at www.ipswich.gov.uk. If you think you may qualify for an exemption or a discount, you can find more information on the website.

I have already told the Council that my circumstances have changes or that I have moved, yet my bill still shows the old information?

The bills were produced based on the information on our system at the end of February. If we were contacted on or around that date, your bill will still show the original information. A new bill will be issued when we have dealt with your most recent correspondence.