

# COUNCIL TAX

Welcome to Advice Direct..., the Advice and Representation Centre's (ARC) written information service.

This leaflet explains the rules that govern Council Tax liability. This guide explains what Council Tax is, whether you are liable for the tax, how to prove that you are a student, and how much it is.

## What Is Council Tax?

Council Tax is an annual charge on domestic dwellings (flat or house) made and collected by Local Authorities to contribute towards local public services such as fire, police, libraries, schools and rubbish collection. The amount payable is based on the **value** of your property and the **number of adults** (only those over 18 years old) living in the property.

Some properties are '**exempt**' from this charge. **This is the case where only full-time students occupy a property.** Where the property is not exempt there may be a **discount** on the bill because some adults (including students) are ignored when counting the number of adults living in the property.

## Am I Exempt?

The majority of **full-time students** will be exempt and will therefore **not** have to pay council tax. Where students are living with non-students, however, the situation becomes more complex and you may be required to pay some council tax.

If you are currently living in University owned and managed accommodation, all residents should be on full-time courses. Therefore most halls of residence will be exempt from council tax.

**IF YOU ARE UNSURE ABOUT YOUR LIABILITY FOR COUNCIL TAX, PLEASE CONTACT THE ARC AS EARLY ON IN THE ACADEMIC YEAR AS POSSIBLE FOR ASSISTANCE**

## A “full time course”

As a student at the University of Birmingham you will only be exempt from council tax where your course falls within the definition of “full time”. The [Council Tax \(Discount Disregards\) Order 1992](#) defines this as:-

1. a course lasting at least 1 academic year;
2. where the student attends the University’s premises (or other site) for at least 24 weeks per academic year; and,
3. where the student would normally undertake periods of study, tuition or work experience which amount to at least 21 hours per week.

## How do I declare myself exempt?

### **Birmingham City Council Procedure:-**

#### How do I claim council tax exemption?

Birmingham City Council now has a system in place whereby students from the University of Birmingham simply call up to apply for council tax exemption/discount.

#### What do I have to do?

1. Make sure that you, and all your housemates, have updated your term-time addresses on your my.bham student portal. These should be as and when you change properties.
2. On the following Friday the University will pass a list of current students and their addresses to Birmingham City Council.
3. Collate the following information:-
  - a. **The full address of your property**
  - b. **The full name of each housemate**
  - c. **The student ID numbers of all the students at the property**
  - d. **Course start and end dates for each student, and whether this is full or part time study**
4. In the week following this call the Council's Contact Centre on **0121 303 1113** and inform the Council that you are students at the University of Birmingham. They should go through the above information with you to confirm that a discount can be applied to the property.

**If you experience any problems with this process please note down what has happened and/or been said. If there are problems with the Council's Contact Centre then also make a note of the staff member's first name and employee id number (which you can request at the time of the call). Following this please contact the ARC as quickly as possible for further assistance.**

The University of Birmingham has made arrangements with a number of local authorities in the West Midlands area; these arrangements form part of their Council Tax Scheme and involve the University sending an electronic file containing details of all current full-time students and their term time addresses to each Local Authority.

The local authorities involved in this scheme are Birmingham City Council, Coventry City Council, Dudley Metropolitan Borough Council, Sandwell Metropolitan Borough Council, Solihull Metropolitan Borough Council, and Wolverhampton City Council.

To declare yourself exempt from council tax, you will need to follow the relevant procedure:-

Birmingham City Council – Follow the procedure in the black box on page 2 of this advice direct.

Coventry City Council, Dudley Metropolitan Borough Council, Sandwell Metropolitan Borough Council, Solihull Metropolitan Borough Council, and Wolverhampton City Council - complete the relevant self-declaration form (see below), and return it to the relevant Council.

#### **SELF DECLARATION FORMS:**

For Other Councils in the West Midlands:-

<http://www.as.bham.ac.uk/faq/forms/counciltaxother.pdf>

To ensure that your self-declaration is dealt with rapidly you must ensure that your term-time address is kept up-to-date on the University system. This can be done by logging in to the registration section of the [my.bham Student Portal](#).

**If you need subsequent evidence from the University of your current status, you need to contact Academic Services via their Student Enquiry Counter in the Aston Webb Building or [log a call to an Enquiry Officer](#), requesting proof of student status.**

**International Students Living Only with their Spouses & Family**

Regardless of whether you are a Home or International student, if you fulfil the criteria for “full-time” study, then you will be exempt from Council Tax.

If the only non-student in the property is your spouse (i.e. husband or wife) and/or an adult dependent, then the property will be exempt from Council Tax where the non-student is:-

- o Not a British Citizen, and;
  - o The terms of their leave to enter or remain in the UK prevents them from either:
    - taking paid employment,
- OR;**
- from claiming benefits (public funds).

This will apply to the majority of spouses and dependents from outside the EEA who come to join an international student in the UK. **However, if you are unsure as to you liability or the liability of your spouse/dependent, please contact the ARC for further advice.**

### **Thesis Awaited Status**

For PhD students who have completed their research/taught phase of their course and have entered the “writing-up” or “thesis awaited” stage, there is a mixed picture across the country regarding liability.

Those students who fall within the remit of Birmingham City Council and who have entered their writing-up stage will be exempt from paying Council Tax for **the duration of their writing-up stage.**

For all other Councils in the West Midlands please contact the ARC for further assistance.

### **Students On Leave Of Absence / Temporary Withdrawal**

Students granted leave of absence (intercalating students), but remain enrolled on the course will still be regarded as full time students during this period of intercalation by the Local Authority for the purposes of Council Tax. You may, however, find yourself liable to pay council tax when you have finished one course and are waiting to start another – e.g. going from a MA to a PhD.

## Visitors From Abroad

The Council Tax bill only takes account of people over 18 'solely or mainly' resident in the property. If you have a friend or relative visiting from abroad for a few weeks or months then the local authority will normally accept that they are not 'solely or mainly resident' here in the UK. Sole or main residence is decided on a case-by-case basis.

## Students Living With Part-time Students or Non-Students

Where the property becomes liable for Council Tax because of the presence of a non-student adult, then students living within that property will **not** be liable.

## What happens if the property is not 'exempt'?

Where the property is not 'exempt', the bill will be issued to the person or people liable (legally responsible) to pay. This depends on who comes first in the Council Tax hierarchy. Where there are two or more persons liable to pay then that is joint and several. This means that they are jointly and individually liable for the bill.

### Hierarchy of Liability

1. Resident with Freehold interest (e.g. resident landlord)
2. Resident with Leasehold or Superior Leasehold
3. Resident Tenant (e.g. most students)
4. Resident Statutory or Secure Tenant
5. Resident Licensee
6. Other Resident inc. squatter

## I have to pay council tax, so how much is it?

There are eight 'value' bands and basically the higher the value of your property, the higher the tax. The tax is calculated on a daily basis.

Once the property has been banded, then the Local Authority will look at how many people live in the property when deciding whether discounts should apply.

## Birmingham City Council Tax Rates:

2011/2012		
Band A	(Up to £40,000)	<b>£840.63</b>
Band B	(£40-£52,000)	<b>£980.74</b>
Band C	(£52-£68,000)	<b>£1120.85</b>
Band D	(£68-£88,000)	<b>£1260.95</b>
Band E	(£88-£120,000)	<b>£1541.15</b>
Band F	(£120-£160,000)	<b>£1821.36</b>
Band G	(£160-£320,000)	<b>£2101.57</b>
Band H	(£320,000 upwards)	<b>£2521.89</b>

### Discount

If the property is not 'exempt' you may be able to reduce the bill. The system of discounts is based on the number of adult residents in the property. Where there are two or more adults then the full amount will be payable. If there is only **one adult in the property then there will be a reduction of 25%**. Where the property contains a mix of full time students and non-students, then the students are **ignored** when deciding whether a reduction should apply. Students, spouses and dependents of international students and student nurses are also ignored for this purpose.

### Council Tax Benefit

If you are liable to pay Council Tax but are on low-income you may be eligible for Council Tax Benefit on the whole bill. The majority of full-time students, however, are not entitled to claim benefits, including Council Tax Benefit.

Those who may be eligible are:

- o Lone parent students
- o Disabled students
- o A student couple with children
- o Students in receipt of Income Support
- o Pensioners
- o Part-time students
- o Partners of full-time students

If you believe that you are entitled to claim council tax benefit e.g. you are a lone parent, and your property is liable for Council Tax, then please seek further advice.

## **Second Adult Rebate**

Where the property is liable for council tax you, the full-time student, may be able to claim second adult rebate. This applies where a second adult – grown up child, relative or friend (not liable for the tax) – lives in the property but does not pay rent and is not ignored for the purpose of a discount. The rebate will reduce the bill by between 7.5% and 25% depending on the income of the second adult. Seek further advice if you think this applies to you.

## **Reductions For People With Disabilities**

Where the property is not exempt and someone living within the property is 'substantially and permanently disabled' a reduction may be available. The property would need to contain special facilities for the person with the disability for example a second bathroom. Please seek further advice if this applies to you.

## **International Students (Non-EEA)**

It is a condition of your stay that you support yourself and any dependents financially '*without recourse to public funds*'. **These include the benefits detailed in this leaflet.** Applying for such funds will jeopardise your immigration status. Please ask at the ARC if you require further information.

## **Paying the bill**

The Council Tax year runs from April to March. Bills are issued in April and have to be paid in 10 monthly installments. Bills issued in May have to be paid in 9 monthly installments or less and so on. Reminder notices are sent for unpaid bills and then if still unpaid the total amount for the year automatically becomes due and legal proceedings will be taken to recover the money if it is not paid. Details of how to pay are on the reverse of the bill. If you receive a court summons seek advice immediately.

**IF YOU ARE UNSURE ABOUT YOUR LIABILITY FOR COUNCIL TAX, PLEASE CONTACT  
THE ARC AS EARLY ON IN THE ACADEMIC YEAR AS POSSIBLE FOR ASSISTANCE**

## Sources Of Help

### **Advice & Representation Centre (ARC), Guild of Students**

Email: [thearc@guild.bham.ac.uk](mailto:thearc@guild.bham.ac.uk)

Visit the website at: <http://www.guildofstudents.com/thearc>

#### **Advice & Representation Centre Opening Hours (Term Time)\***

<b>Monday - Friday</b> <i>Diagnostic Drop In Clinics</i>	<b>10am — 4pm</b> <i>12-2pm (exc. Wed 2-4pm)</i>
<b>Saturday &amp; Sunday</b>	<b>CLOSED</b>

<b>*Vacation Periods</b>	<b>12 noon – 2pm</b>
--------------------------	----------------------

### **Shelter**

[www.shelter.org.uk](http://www.shelter.org.uk)

Offers advice and information about any housing problems.

Room 30, 2nd Floor, Ruskin Building, 191 Corporation Street,

Birmingham City Centre Tel: 0121 236 6668

*Shelterline* is a 24-hour free phone service providing advice on a range of housing issues. Tel: 0808 800 4444

### **Birmingham Council Tax Office**

[www.birmingham.gov.uk/council-tax](http://www.birmingham.gov.uk/council-tax)

*In Writing:*

Birmingham City Council Tax Office

Resources Directorate (Revenues and Payments)

PO Box 5

Birmingham

B4 7AB

Monday – Friday 8.45am – 5pm (4.30pm on Fridays)

Telephone: 0121 303 1113 (Mon – Fri 8am – 6pm)

### **Office of the Deputy Prime Minister (ODPM)**

[www.odpm.gov.uk](http://www.odpm.gov.uk)

Government department responsible for the Council Tax in England and Wales

26 Whitehall, London, SW1A 2WH

Tel: 020 7944 4400

**Disclaimer:** The information on this guide only provides general guidance on housing issues and the law. The guide should not be regarded or relied upon as a complete or authoritative statement of the law. The ARC will not accept any liability for any claims or inconvenience as a result of the use of information on this guide. If you think that you have a legal problem you should seek further advice.

© Advice & Representation Centre 2013  
Published By Advice & Representation Centre,  
Guild of students, University of Birmingham, Edgbaston Park, Road, Birmingham, B15 2TU  
[ council tax ]