

# **City of Wolverhampton Council**

## **Council Tax Charges on Empty Properties and Second Homes Policy**

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**1. Introduction**

- 1.1 The Local Government Finance Act 1992 and associated regulations sets out the mechanism for levying council tax on domestic properties.
- 1.2 The regulations allow Councils some discretion in setting the level of council tax charged in respect of unoccupied properties and second homes.

**2 Purpose and principles of the policy**

- 2.1 The purpose of this policy is set out the charges to be levied in respect of empty unoccupied properties and second homes in relation to the Council’s discretionary powers.
- 2.2 This policy also sets out guidelines to be applied when deciding whether an exception to applying the empty property premium may be considered.

**3 Charges to be levied**

- 3.1 The Council has resolved to charge council tax empty properties and second homes as follows:

With effect from 01 April 2016

Properties empty and unoccupied for up to 2 years	0% discount (full charge)
Furnished properties and second homes	0% discount (full charge)
Properties empty and unoccupied for 2 years or more	150% charge (includes 50% empty property premium)

With effect from 01 April 2019

Properties empty and unoccupied for up to 2 years	0% discount (full charge)
Furnished properties and second homes	0% discount (full charge)
Properties empty and unoccupied for 2 years or more	200% charge (includes 100% empty property premium)

With effect from 01 April 2020

Properties empty and unoccupied for up to 2 years	0% discount (full charge)
Furnished properties and second homes	0% discount (full charge)
Properties empty and unoccupied for 2-5 years	200% charge (includes 100% empty property premium)

Properties empty and unoccupied for 5 years or more	300% charge (includes 200% empty property premium)
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With effect from 01 April 2021

Properties empty and unoccupied for up to 2 years	0% discount (full charge)
Furnished properties and second homes	0% discount (full charge)
Properties empty and unoccupied for 2-5 years	200% charge (includes 100% empty property premium)
Properties empty and unoccupied for 5-10 years	300% charge (includes 200% empty property premium)
Properties empty and unoccupied for more than 10 years	400% charge (includes 300% empty property premium)

- 3.2 Any periods of occupation of six weeks or less will be disregarded when considering how long a property has been empty. Periods of occupation for six weeks or less will not give rise to a further period of 21 days discount or start a new period of two years before charging the empty homes premium.

#### 4 Exceptions to the empty property premium

- 4.1 The Council will consider waiving the premium for applicants who meet the qualifying criteria as specified in this policy.
- 4.2 The Council will treat all applications on their individual merits and, through these guidelines, will consider granting full or partial exemptions from the empty property premium in the following circumstances:
- Where the owner can clearly demonstrate continuous, ongoing and realistic efforts to sell or let their property over the last two years since it became empty
  - Where the owner is experiencing particular legal or technical issues which is preventing the sale or letting of the property
  - Where the owner is in negotiation with the Council with a genuine view to letting the property under the Council's scheme(s).
  - With effect from 1 April 2019, where the property had been empty for two years or more and the new owner needs to carry out major repairs before they move in.
- 4.3 All applications for exceptions to be made to the empty property premium will be considered under the Council Tax Discretionary Discount Policy developed under Section 13a Local Government Finance Act 1992. Details of the policy are available on request.

## **5 Hardship**

- 5.1 Any person who believes they are suffering financial hardship due to exceptional circumstances may make an application for relief from the charges under the Council Tax Discretionary Discount Policy under Sections 13a Local Government Finance Act 1992. Details of the policy are available on request.