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Council Tax Information Letter 1/2012

The topics covered in this letter are:

- Service Personnel and Second Homes

Service Personnel and Second homes

As part of its commitment to the Military Covenant, the Government is keen to make authorities aware of the position regarding Service personnel to ensure they are treated fairly and not disadvantaged when applying for a council tax second homes discount.

Council tax is payable on residential properties in England. Service personnel who own or rent a private property in England are liable to pay council tax on their own property to their local authority.

Such properties may be unoccupied if the Service personnel is overseas or residing in service accommodation. As such billing authorities may choose to consider these properties as second homes - if they are unoccupied but furnished – and so charge a discounted rate of council tax – between 50 and 90 percent council tax.

This letter is to remind authorities in England that, when considering applications from Service personnel for a second homes discount on their unoccupied private properties, Service personnel residing in Service accommodation in the UK or overseas are required to make comparable payments towards council tax, through a process called Contributions in Lieu of Council Tax, which is paid to the billing authority where they are based by the Ministry of Defence.

This will be helpful to authorities when interpreting the relevant regulations regarding 'sole or main' residence criteria.

You can contact the Council Tax Team for further information at council.tax@communities.gsi.govuk.