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Council Tax Managers

6 February 1997

Dear Council Tax Manager

COUNCIL TAX BILLING AND GRANNY ANNEXES

In the consultation paper on granny annexes issued on 17 December, we advised billing authorities that they would have to include a notification with their annual bills about the proposed change of treatment of these dwellings. We proposed to make regulations to ensure that information was given either as part of the bill itself, or in a separate leaflet sent out with it. Council Tax Information Letter number 10, issued on 10 January, confirmed that we proposed to introduce this requirement by an amendment to Schedule 1 of the Council Tax and Non-Domestic Rating (Demand Notices)(England) Regulations, which would expand the list of explanatory notes.

However, early responses to the consultation paper and subsequent letter have indicated that because regulations will not be made until very close to the start of the new billing year, it will be difficult for authorities to meet any formal requirement introduced for 1997/98. In view of this we suggest that authorities should include information about the proposals with bills for the new council tax year. Authorities may find the following text useful for these purposes:

The Government has announced proposals that where an annex or similar self contained part of a property is occupied by an elderly or disabled relative of the residents living in the rest of it, then it should not be regarded as a separate dwelling for council tax purposes. These proposals are expected to come into force on 1 April 1997. If you think you will be affected by these proposals, please contact

We now expect that regulations to formally require information to be given with bills will come into force on 1 April 1997, and will apply to all new bills issued on or after that date. Further information will be given as soon as possible.

Any enquiries should be addressed to Tony Capp at the above address.

Yours sincerely

**Ann Blackmore
Council Tax Branch**