

2025 No. (W.)

COUNCIL TAX, WALES

**The Council Tax (Liability for
Owners) (Wales) Regulations 2025**

EXPLANATORY NOTE

(This note is not part of the Regulations)

Section 8(1) and (3) of the Local Government Finance Act 1992 provides that the owner of a dwelling, rather than the occupier, is liable to pay council tax in respect of prescribed classes of chargeable dwellings. Section 8(4) provides that where on any day two or more persons are owners, they must each be jointly and severally liable to pay council tax in respect of that dwelling and that day. Section 8(6) enables regulations to be made to provide that a description of a person who is different to the owner is instead liable.

Regulation 3 of these Regulations prescribes the classes of chargeable dwellings, which has the effect of making the owner liable to pay council tax:

Class A: Residential care homes and other similar homes

Class B: Houses of religious communities

Class C: Houses in multiple occupation

Class D: Residences of staff who live in houses occasionally occupied by their employer

Class E: Residences of ministers of religion

Class F: Residences of asylum seekers

This is subject to exceptions as follows.

In the case of dwellings within Class C, regulation 4 transfers the liability to pay council tax to the person who has the most inferior interest (whether freehold or leasehold) in the whole of the dwelling or, where there is no such person, the freeholder of the whole or any part of the dwelling, rather than to the owner.

In the case of dwellings within Class E owned by ministers of the Church of England, regulation 5

transfers liability to the relevant Diocesan Board of Finance, rather than to the owner.

Regulation 6 makes consequential amendments to the Council Tax (Liability for Owners) Regulations 1992 so that they apply only in relation to England.

Regulations 7 and 8 make further necessary consequential amendments to other secondary legislation, and regulations 9 and 10 revoke certain secondary legislation.

The Welsh Ministers' Code of Practice on the carrying out of Regulatory Impact Assessments was considered in relation to these Regulations. As a result, a regulatory impact assessment has been prepared as to the likely costs and benefits of complying with these Regulations. A copy can be obtained from Local Government Finance Reform, Welsh Government, Cathays Park, Cardiff, CF10 3NQ and is published on www.gov.wales.

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2025 No. (W.)

COUNCIL TAX, WALES

**The Council Tax (Liability for
Owners) (Wales) Regulations 2025**

Made ***

Laid before Senedd Cymru ***

Coming into force 1 April 2025

The Welsh Ministers make these Regulations in exercise of the powers conferred on the Secretary of State by section 8(1) and (6) of the Local Government Finance Act 1992⁽¹⁾ and now vested in them⁽²⁾ and in exercise of the powers conferred on them by section 113(1) and (2) of that Act⁽³⁾.

Title, application and coming into force

1.—(1) The title of these Regulations is the Council Tax (Liability for Owners) (Wales) Regulations 2025.

(2) These Regulations apply in relation to Wales.

(3) These Regulations come into force on 1 April 2025.

Interpretation

2. In these Regulations—

“the Act” (*Welsh text*) means the Local Government Finance Act 1992;

(1) 1992 c. 14. See section 116(1) of the 1992 Act for the definition of “prescribed”.

(2) The powers of the Secretary of State were transferred, in relation to Wales, to the National Assembly for Wales by virtue of article 2(1) of the National Assembly for Wales (Transfer of Functions) Order 1999 (S.I. 1999/672). They were subsequently transferred to the Welsh Ministers by virtue of section 162 of, and paragraph 30 of Schedule 11 to, the Government of Wales Act 2006 (c. 32).

(3) Section 113(1) and (2) was amended by paragraph 52 of Schedule 7 to the Local Government Act 2003 (c. 26) and section 80(4) of the Localism Act 2011 (c. 20). There are other amending instruments but none is relevant to these Regulations.

“the 1992 Regulations” (“*Welsh text*”) means the Council Tax (Liability for Owners) Regulations 1992(1);

“chargeable dwelling” (“*Welsh text*”) has the meaning given by section 4(2) of the Local Government Finance Act 1992;

“dwelling” (“*Welsh text*”) has the meaning given by section 3 of the Local Government Finance Act 1992.

Classes of chargeable dwellings

3. The following are the classes of chargeable dwellings in Wales prescribed for the purposes of section 8(1) of the Act—

Residential care homes, etc

Class A:

- (a) a place in Wales at which a care home service, within the meaning of Part 1 of the Regulation and Inspection of Social Care (Wales) Act 2016(2), is provided wholly or mainly to persons aged 18 or over,
- (b) a building in Wales or part of a building in Wales in which accommodation is provided under section 18 or 19 of the Care Act 2014(3) or under section 35 or 36 of the Social Services and Well-being (Wales) Act 2014(4), or
- (c) a hostel in Wales within the meaning given by article 6 of the Council Tax (Discount Disregards) Order 1992(5), as it applies in relation to Wales.

Religious communities

Class B: a dwelling in Wales inhabited by a religious community whose principal occupation consists of prayer, contemplation, education, the relief of suffering, or any combination of these.

Houses in multiple occupation, etc

Class C: a dwelling in Wales which—

- (a) was originally constructed or subsequently adapted for occupation by persons who do not constitute a single household, or

(1) S.I. 1992/551; amended by S.I. 1993/151, 1995/620, 2000/537, 2000/1024 (W. 60), 2003/3125, 2004/2920 (W. 259), 2016/211 (W. 84), 2018/48 (W. 15) and 2023/1175. There are other amending instruments but none is relevant to these Regulations.

(2) 2016 anaw 2.

(3) 2014 c. 23.

(4) 2014 anaw 4.

(5) S.I. 1992/548; amended by S.I. 2003/3121 and 2004/2921 (W. 260); there are other amending instruments but none is relevant to these Regulations.

- (b) is inhabited by a person who, or by two or more persons each of whom, either—
 - (i) in respect of part only of the dwelling, has a secure contract within the meaning of the Renting Homes (Wales) Act 2016⁽¹⁾ (see section 8 of that Act),
 - (ii) in respect of part only of the dwelling, has an introductory standard contract within the meaning given by the Renting Homes (Wales) Act 2016 (see section 16 of that Act),
 - (iii) in respect of part only of the dwelling, is a statutory tenant within the meaning of the Rent Act 1977⁽²⁾ or the Rent (Agriculture) Act 1976⁽³⁾,
 - (iv) has a licence to occupy part only of the dwelling, or
 - (v) has a licence to occupy, but is not liable (whether alone or jointly with other persons) to pay rent or a licence fee in respect of, the dwelling as a whole, or
- (c) is a building or part of a building in Wales which is a “house in multiple occupation” as defined by section 254 of the Housing Act 2004⁽⁴⁾ but as if subsections (1)(e) and (5) of that section were omitted.

Resident staff

Class D: a dwelling in Wales—

- (a) in which at least one of the residents is employed in domestic service and resides in the dwelling wholly or mainly for the purposes of that employment,
- (b) in which any other resident is either so employed or is a member of the family of a resident so employed, and
- (c) which is from time to time occupied by the employer of that person.

Ministers of religion

Class E: a dwelling in Wales inhabited by a minister of any religious denomination as a residence from

(1) 2016 anaw 1.
 (2) 1977 c. 42; section 2(1)(b) was substituted by S.I. 2023/550 (W. 85).
 (3) 1976 c. 80; section 4 was amended by the Rent Act 1977 (c. 42), Housing Act 1980 (c. 51), Housing Act 1988 (c. 50), Civil Partnership Act 2004 (c. 33), S.I. 2019/1458 and 2022/1166 (W. 241).
 (4) 2004 c. 34.

which the minister performs the duties of the minister's office.

Asylum seekers

Class F: a dwelling in Wales provided to an asylum seeker under, or under arrangements made under, section 95 of the Immigration and Asylum Act 1999(1).

Reference to the owner in relation to a dwelling within Class C

4.—(1) Section 8(3) of the Act applies in relation to a dwelling in Wales in Class C in regulation 3 but has effect as if the reference to “owner” were to—

- (a) the person who has a relevant material interest which is not subject to a relevant material interest inferior to it,

or, if there is no such person—

- (b) the person who has a freehold interest in the whole or any part of the dwelling.

(2) In paragraph (1), “relevant material interest” means a freehold or leasehold interest in the whole of the dwelling.

Reference to the owner in relation to a dwelling within Class E

5. Section 8(3) of the Act applies in relation to a dwelling in Wales in Class E in regulation 3, but, where a minister of the Church of England is the inhabitant and the owner of the dwelling and is in receipt of a stipend, has effect as if the reference to “owner” were to “the Diocesan Board of Finance of the diocese in which the dwelling is situated”.

Consequential amendments to the Council Tax (Liability for Owners) Regulations 1992

6.—(1) The 1992 Regulations are amended as follows.

(2) In regulation 1(2), in the definition of “HMO”, after “part of a building” insert “in England”.

(3) In regulation 2—

- (a) in the words before the heading “Residential care homes, etc”, after “chargeable dwellings” insert “in England”;
- (b) under the heading “Residential care homes, etc”, in the entry for “Class A”—
 - (i) omit paragraph (aa) and the “and” before it,

(1) 1999 c. 33, to which there are amendments not relevant to these Regulations.

- (ii) in subsection (b) after “part of a building” insert “in England”,
 - (iii) in subsection (c) after “a hostel” insert “in England.”;
 - (c) under the heading “Religious communities” after “Class Ba dwelling” insert “in England.”;
 - (d) under the heading “Houses in multiple occupation, etc”, after “Class Ca dwelling” insert “in England.”;
 - (e) under the heading “Resident Staff”, after “Class Da dwelling” insert “in England.”;
 - (f) under the heading “Ministers of religion”, after “Class Ea dwelling” insert “in England.”;
 - (g) under the heading “Asylum Seekers”, after “Class Fa dwelling” insert “in England.”.
- (4) In regulation 2A(1) after “In relation to a dwelling” insert “in England”.
- (5) In regulation 3, after “In relation to a dwelling” insert “in England”.

Amendment to the Council Tax (Exceptions to Higher Amounts) (Wales) Regulations 2015

7. In regulation 10(3)(b)(ii) of the Council Tax (Exceptions to Higher Amounts) (Wales) Regulations 2015(1), for “Council Tax (Liability for Owners) Regulations 1992” substitute “Council Tax (Liability for Owners) (Wales) Regulations 2025”.

Amendment to the Social Services and Well-being (Wales) Act 2014 (Consequential Amendments) (Secondary Legislation) Regulations 2016

8. In the Social Services and Well-being (Wales) Act 2014 (Consequential Amendments) (Secondary Legislation) Regulations 2016(2), omit paragraph 5 of Schedule 3.

Revocations

9. The Council Tax (Liability for Owners) (Amendment) (Wales) Regulations 2000(3) are revoked.

10. The Council Tax (Liability for Owners) (Amendment) (Wales) Regulations 2004(4) are revoked.

(1) S.I. 2015/2068 (W. 311), to which there are amendments not relevant to these Regulations.
 (2) S.I. 2016/211 (W. 84), to which there are amendments not relevant to these Regulations.
 (3) S.I. 2000/1024 (W. 60).
 (4) S.I. 2004/2920 (W. 259).