

Council Tax



Council tax is a priority bill because if you do not meet your council tax payments, the Council can get a Liability order against you and you could face bailiff action or even imprisonment (but this is very rare).

Before they can get a Liability Order the Council Tax section will send you various letters and notices. They will usually be willing to come to an arrangement to pay if you contact them and let them know your personal circumstances and your financial situation.

When making an arrangement to pay, you should bear in mind the following:

Is the amount shown on the bill correct?

- Are you entitled to any council tax benefit?
- Is your benefit correct?
- Could it be backdated?
- Have your circumstances changed since the benefit was assessed?
- Are you entitled to any 'discounts'?

Making an arrangement to pay.

The Council Tax Section will normally let you pay weekly (or fortnightly) but you need to contact them to make the arrangements; and also to avoid further action being taken against you.

Can you clear all the debt within the current financial year?

The Local Authority's Council Tax Section prefer the current year's bill to be paid in the current financial year if at all possible. To do this you need to divide the balance you owe by the number of weeks left in the financial year.

For example: It is the beginning of June and you owe £516.00.
There are approximately 43 weeks until the end March. ($£516 \div 43 = £12.00$)
Thus Council Tax is likely to accept an offer of £12.00 per week.

This is likely to be less affordable towards the end of the financial year in which case you should pay your ongoing liability.

Paying your ongoing liability.

If you are in receipt of council tax benefit this will be the difference between your weekly council tax and your weekly benefit. If you are not sure what your ongoing liability is the Council Tax section will let you know.

If you are in receipt of Income Support (I.S.) or Income Based Job Seekers' Allowance (I.B. - J.S.A.) your ongoing liability will be **NIL** – unless you have non-dependants living with you.

Paying the arrears.

On top of your current bill, or your ongoing liability, the Local Authority's Council Tax Section would also expect you to pay something off any arrears you may have.

You should contact them to make an offer that you can afford to keep and is within your ability to pay.

If you are getting I.S. or I.B. - J.S.A. /ESA

A nominal amount (in line with standard deduction rates from I.S.) would normally be acceptable. If the council has obtained a Liability Order against you for your council tax arrears they can contact the D.W.P. and ask that this standard amount be deducted from your I.S. or I.B. - J.S.A./ESA and sent to them directly. You can ask the Council Tax Section to request this if you wish. (There are letters to help you to do this.) However, if your weekly ongoing charge is more than this deduction (e.g. due to a non-dependant deduction) you would be expected to make voluntary payments to cover the shortfall.

If you are only likely to be on benefit temporarily, other recovery methods may be considered.

Stages of Recovery.

- Following reminder letters and notices the next action taken would be a **Magistrates' Court Summons** - You can attend the court hearing, if you don't think you should be liable for the debt but in most cases a Liability Order will be granted even if a payment arrangement has been agreed.
- Once the Council has a **Liability Order** against you it is important to contact the Council Tax section to make an arrangement to pay, if you haven't already done so.
- Following a liability order the council will make a **"Request for information"** – you should complete and return the form with an offer of payment. If you do not return the form you could be fined.

Once the local authority has a liability order it can take the following courses of action if payment arrangements are not made or not kept to.

- **Appointment of Bailiffs** – The council will ask bailiffs to collect the balance owed on their behalf. Whilst it may still be possible to make an arrangement, based on your ability to pay, with the bailiff you should be aware that bailiffs will usually expect you to sign a Walking Possession Order. This gives them rights to take your goods away if you don't pay as agreed. **For more information please see our facts sheet about bailiffs, their rights and how to deal with them.**
- **Attachment of Earnings (A.O.E.)** - The council instructs your employer to make deductions from your wages to repay what you owe. If you are experiencing considerable financial hardship or if it would put your job at risk, if you contact the Council Tax Section with your offer of payment immediately, and explain your circumstances to them, they may agree to put the A.O.E. on hold.
- **Direct Deductions from Benefit** - The council asks the Department of Work & Pensions (DWP) to make deductions from your Income Support or Income Based Job Seekers' Allowance to repay what you owe.
- **Charging Order** – In certain cases the Council can apply to have a charge put on your home. Seek advice immediately should this happen.
- **Bankruptcy** - In certain cases the council can apply to make you bankrupt. Seek advice immediately should this happen.

IF THE ABOVE OPTIONS HAVE BEEN CONSIDERED AND BAILIFF ACTION HAS BEEN UNSUCCESSFUL THE COUNCIL TAX SECTION CAN THEN APPLY FOR A COMMITTAL HEARING AT THE MAGISTRATES' COURT.

You should attend the Court Hearing and be prepared to say why you haven't paid. You should take with you full details of your income and expenditure.

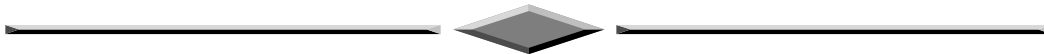
After hearing the evidence the Magistrates have the power to:

- A. Commit you to prison for up to 90 days if they are satisfied that you have either refused or neglected to pay **but only if a full means enquiry has been carried out.**
- B. Suspend the committal order by setting an arrangement for payment, which if not kept to could result in imprisonment.
- C. Adjourn the case as long as an arrangement for payment is being kept to or for further consideration.
- D. Set aside all or any part of the debt.

If you were to serve a sentence, the debt is written off. If payment is made, the sentence is reduced in proportion that the payment bears to the arrears.

If you fail to attend the Court Hearing a warrant will be issued for your arrest as a committal cannot be heard in your absence. This will increase the costs on your account.

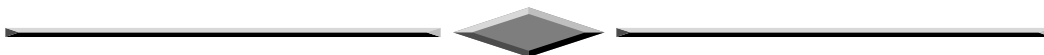
If a Warrant for your arrest is issued – Seek advice without delay.



The basic principles of the Council's council tax recovery policy are:-

- A firm but fair approach
- Recovery based on ability to pay
- A willingness to make sensible and fair payment arrangements
- Consider the needs of the individual and advise of any available council tax reductions

Both the Council Tax Section and bailiffs should have full regard to the Council's Code of Practice when making arrangements to pay. Contained in the Code of Practice are Bailiff Guidelines which bailiffs should also comply with.



To make arrangements to pay you can contact the Council Tax Section on:-

01204 331599

Council Tax
P.O. Box 32
Town Hall
Bolton
BL1 1RX

<https://www.payments.bolton.gov.uk/forms/>



Your Name
Your Address

Bolton Council
Council Tax Section
Po Box 32
Bolton
BL1 1RX

Date:

COUNCIL TAX - ARRANGEMENT TO PAY

REFERENCE NUMBER _____

Dear Sir or Madam,

I have received your recent correspondence concerning my council tax account which I am having difficulty paying. I am willing to pay whatever I can afford to reduce the outstanding debt, but I do not want to be forced into a situation of agreeing repayments which I would be unable to meet.

I am currently in receipt of Income Support / Income Based Job Seekers Allowance/ Income Based Employment Support Allowance / I have a low income. (Delete as applicable)

I enclose a draft statement of my income and essential expenditure which shows the extent of my difficulties.

I can only afford my ongoing liability of £_____ per week/month plus £_____ off my arrears.

I will begin to make these payments as soon as I can. If my circumstances improve I will seek to increase these minimum payments.

I appreciate that you may not be ideally satisfied with the initial level of payment offered, but I would ask you to accept this level of payment given my circumstances and would request that any further recovery action be withheld whilst I continue with these payments.

Thank you for your assistance and I hope to hear from you shortly.

Yours faithfully

Your Signature

Your Name
Your Address

Bolton Council
Council Tax Section
PO Box 32
Bolton
BL1 1RX

Date:

REFERENCE NUMBER _____

Dear Sir/Madam

COUNCIL TAX - DIRECT DEDUCTIONS FROM INCOME SUPPORT
INCOME BASED JOB SEEKERS ALLOWANCE
EMPLOYMENT SUPPORT ALLOWANCE

I am currently in receipt of Income Support / Income Based Job Seekers Allowance/Employment Support Allowance and full council tax benefit for my ongoing liability. I understand that a Liability Order has been issued against me in respect of my outstanding Council Tax.

Could you please make arrangements for the D.W.P. to deduct a weekly amount from my benefit for these arrears as I am unable to afford to pay any more than the amount they would deduct.

My national insurance number is: _____

Yours faithfully

Your Signature