



Local Government Finance Act 1992

1992 CHAPTER 14

PART I

COUNCIL TAX: ENGLAND AND WALES

CHAPTER IV

PRECEPTS

Calculations by local precepting authorities

50 Calculation of budget requirement [^{F1}by authorities in Wales] .

- (1) In relation to each financial year a local precepting authority [^{F2}in Wales] shall make the calculations required by this section.
- (2) The authority must calculate the aggregate of—
 - (a) the expenditure the authority estimates it will incur in the year in performing its functions and will charge to a revenue account for the year;
 - (b) such allowance as the authority estimates will be appropriate for contingencies in relation to expenditure to be charged to a revenue account for the year;
 - (c) the financial reserves which the authority estimates it will be appropriate to raise in the year for meeting its estimated future expenditure; and
 - (d) such financial reserves as are sufficient to meet so much of the amount estimated by the authority to be a revenue account deficit for any earlier financial year as has not already been provided for.
- (3) The authority must calculate the aggregate of—
 - (a) the sums which it estimates will be payable to it for the year and in respect of which amounts will be credited to a revenue account for the year, other than sums which it estimates will be so payable in respect of any precept issued by it; and

Changes to legislation: Local Government Finance Act 1992, Section 50 is up to date with all changes known to be in force on or before 13 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (b) the amount of the financial reserves which the authority estimates that it will use in order to provide for the items mentioned in paragraphs (a) and (b) of subsection (2) above.
- (4) If the aggregate calculated under subsection (2) above exceeds that calculated under subsection (3) above, the authority must calculate the amount equal to the difference; and the amount so calculated shall be its budget requirement for the year.
- (5) For the purposes of subsection (2)(c) above an authority's estimated future expenditure is—
- (a) that which the authority estimates it will incur in the financial year following the year in question, will charge to a revenue account for the year and will have to defray in the year before the following sums are sufficiently available, namely, sums—
- (i) which will be payable to it for the year; and
- (ii) in respect of which amounts will be credited to a revenue account for the year; and
- (b) that which the authority estimates it will incur in the financial year referred to in paragraph (a) above or any subsequent financial year in performing its functions and which will be charged to a revenue account for that or any other year.
- (6) ^{F3}

Textual Amendments

- F1** Words in s. 50 heading inserted (3.12.2011) by [Localism Act 2011 \(c. 20\)](#), s. 240(2), [Sch. 7 para. 27\(2\)](#); [S.I. 2011/2896](#), art. 2(i)
- F2** Words in s. 50(1) inserted (3.12.2011) by [Localism Act 2011 \(c. 20\)](#), s. 240(2), [Sch. 7 para. 27\(3\)](#); [S.I. 2011/2896](#), art. 2(i)
- F3** S. 50(6) repealed (27.11.2003 for W. and 1.4.2004 for E.) by [Local Government Act 2003 \(c. 26\)](#), s. 127(2), 128, [Sch. 8 Pt. 1](#); [S.I. 2003/3034](#), [art. 2\(1\)\(4\)](#), [Sch. 1 Pt. 1](#); [S.I. 2003/2938](#), [art. 7](#)

Modifications etc. (not altering text)

- C1** Pt. I Chs. III-IV (ss. 30-52) modified (E.) (1.2.1993) by [S.I. 1993/22](#), [art. 4\(2\)](#)
- C2** [S. 50](#) applied (with modifications) (W.) (coming into force in accordance with art. 1(2)(3) of the amending S.I.) by [The Monmouthshire \(Communities\) Order 2021 \(S.I. 2021/1227\)](#), [art. 251\(5\)](#)
- C3** S. 50(1) excluded (1.4.2009) by [The Charter Trustees Regulations 2009 \(S.I. 2009/467\)](#), regs. 1(1), [12\(1\)](#) (with reg. 1(2))

Changes to legislation:

Local Government Finance Act 1992, Section 50 is up to date with all changes known to be in force on or before 13 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.
[View outstanding changes](#)

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Act applied (with modifications) by [S.I. 2010/875 reg. 16Sch. 2](#) (This amendment not applied to [legislation.gov.uk](#). The amending S.I. was revoked before ever coming into force by [S.I. 2010/1906, reg. 2](#))

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 6(2)(ea) inserted by [2012 c. 17 s. 13\(1\)](#)