
STATUTORY INSTRUMENTS

1992 No. 613

**The Council Tax (Administration
and Enforcement) Regulations 1992**

PART V

Billing

Interpretation and application of Part V

17.—(1) In this Part—

“demand notice” means the notice required to be served by regulation 18(1);

“Part II scheme” means a scheme for the payment of the chargeable amount by instalments in accordance with a scheme complying with the requirements of Part II of Schedule 1 to these Regulations;

“relevant valuation band”, in relation to a dwelling, means the valuation band shown as applicable to the dwelling—

- (a) in the billing authority’s valuation list; or
- (b) if no such list is in force, in the copy of the proposed list sent to the authority under section 22(5)(b) of the Act; and

“the relevant year”, in relation to a notice, means the financial year to which the notice relates.

(2) Any reference in this Part to the liable person is a reference to a person who is solely liable to pay to a billing authority, in respect of a particular dwelling, an amount in respect of council tax, and includes, unless the context otherwise requires, a reference to a person who in the opinion of the authority will be so liable.

(3) Any reference in this Part to the chargeable amount is a reference to the amount the liable person is or will be liable to pay.

(4) Any reference in this Part to the day on or time at which a notice is issued, is a reference—

- (a) if the notice is served in the manner described in section 233(2) of the Local Government Act 1972 by being left at, or sent by post to, a person’s proper address, to the day on or time at which it is so left or posted, or
- (b) in any other case, to the day on or time at which the notice is served.

(5) This Part applies (amongst other matters) for the making of payments in relation to the chargeable amount for a financial year; but its application as regards a case where persons are or will be jointly and severally liable to pay an amount in respect of council tax for a financial year is subject to the provisions of regulations 27 and 28 (joint and several liability).

(6) The provisions of this Part which provide for the repayment or crediting of any amount or the adjustment of payments due under a notice shall have effect subject to section 31(4) of the Act

The requirement for demand notices

18.—(1) Subject to paragraph (2), for each financial year a billing authority shall serve a notice in writing on every liable person in accordance with regulations 19 to 21.

(2) Where, but for this paragraph, notices would fall to be served in accordance with this Part—

- (a) at the same time; and
- (b) in respect of the same dwelling,

in relation to a financial year, nothing in paragraph (1) shall require a billing authority to serve a notice for that preceding financial year.

(3) If a person is liable in any financial year to pay to the same billing authority different chargeable amounts in respect of different dwellings, a demand notice shall be served in respect of each chargeable amount

Service of demand notices

19.—(1) The demand notice is to be served—

- (a) on or as soon as practicable after the day the billing authority first sets an amount of council tax for the relevant year for the category of dwellings within which the chargeable dwelling to which the notice relates falls; and
- (b) where it requires the payment of instalments, at least 14 days before the day on which the first instalment is due under it.

(2) In this regulation, “category”, in relation to a dwelling, shall be construed in accordance with section 30(4) of the Act.

Demand notices: payments required

20.—(1) If the demand notice is issued before or during the relevant year, the notice shall require the making of payments on account of the amount referred to in paragraph (2).

(2) The amount is—

- (a) the billing authority’s estimate of the chargeable amount, made as respects the relevant year or part, as the case may be, on the assumptions referred to in paragraph (3); or
- (b) where an amount falls to be credited by the billing authority against the chargeable amount, the amount (if any) by which the amount estimated as mentioned in sub-paragraph (a) exceeds the amount falling to be so credited.

(3) The assumptions are—

- (a) that the person will be liable to pay the council tax to which the notice relates on every day after the issue of the notice;
- (b) that, as regards the dwelling concerned, the relevant valuation band on the day the notice is issued will remain the relevant valuation band for the dwelling as regards every day after the issue of the notice;
- (c) if on the day the notice is issued the person satisfies conditions prescribed for the purposes of regulations under section 13 of the Act (and consequently the chargeable amount in his case is less than it would otherwise be), that he will continue to satisfy those conditions as regards every day after the issue of the notice;
- (d) if, by virtue of regulation 9(1), the dwelling to which the notice relates is assumed to be a chargeable dwelling on the day the notice is issued, that it will continue to be a chargeable dwelling as regards every day after the issue of the notice;

- (e) if, by virtue of regulation 15(1), the chargeable amount is assumed not to be subject to a discount on the day the notice is issued, that it will not be subject to a discount as regards any day after the issue of the notice;
 - (f) if, by virtue of regulation 15(2), the chargeable amount is assumed to be subject to a discount on the day the notice is issued, that it will continue to be subject to the same rate of discount as regards every day after the issue of the notice; and
 - (g) if on the day the notice is issued a determination as to council tax benefit to which the person is entitled is in effect, and by virtue of regulations under section 138(1) of the Social Security Administration Act 1992(1) the benefit allowed as regards that day takes the form of a reduction in the amount the person is liable to pay in respect of council tax for the relevant year, that as regards every day after that day he will be allowed the same reduction in that amount.
- (4) If the demand notice is issued during the relevant year and the liable person is not liable to pay an amount by way of council tax in respect of the day on which the notice is issued, the demand notice shall require payment of—
- (a) the chargeable amount for the period in the year up to the last day in respect of which he was so liable; or
 - (b) where an amount falls to be credited by the billing authority against that chargeable amount, an amount equal to the amount (if any) by which that chargeable amount exceeds the amount falling to be so credited.
- (5) If the demand notice is issued after the end of the relevant year, it shall require payment of—
- (a) the chargeable amount; or
 - (b) where an amount falls to be credited by the billing authority against the chargeable amount, an amount equal to the amount (if any) by which the chargeable amount exceeds the amount falling to be so credited.

Council tax: payments

21.—(1) Unless—

- (a) an agreement under paragraph (5) in relation to the relevant year has been reached between the billing authority and the liable person before the demand notice is issued, or
- (b) the authority has resolved that a Part II scheme shall have effect for the relevant year as regards dwellings of a class which includes the dwelling in respect of which the chargeable amount falls to be paid,

a notice to which paragraph (1) of regulation 20 applies shall require the amount mentioned in paragraph (2) of that regulation to be paid by instalments in accordance with Part I of Schedule 1 hereto.

(2) Where a billing authority has resolved as mentioned in paragraph (1)(b), a notice to which paragraph (1) of regulation 20 applies shall require the amount mentioned in paragraph (2) of that regulation to be paid by instalments in accordance with the provisions of the authority's Part II scheme.

(3) Where instalments are required to be paid in accordance with a Part II scheme or under Part I of Schedule 1, Part III of that Schedule applies for their cessation or adjustment in the circumstances described in that Part (subject, in the case of payments in accordance with a Part II scheme, to provision included in the scheme pursuant to paragraph 8(6) of Part II of that Schedule).

(1) 1992 c. 5; section 138 is amended by the Local Government Finance Act 1992, Schedule 9, paragraph 19.

(4) If an agreement under paragraph (5) in relation to the relevant year has been reached between the billing authority and the liable person before the demand notice is issued, a notice to which paragraph (1) of regulation 20 applies shall require the amount mentioned in paragraph (2) of that regulation to be paid in accordance with that agreement.

(5) A billing authority and a liable person may agree that the amount mentioned in regulation 20(2) which is required to be paid under a notice to which regulation 20(1) applies shall be paid in such manner as is provided by the agreement.

(6) Notwithstanding the foregoing provisions of this regulation, such an agreement may be entered into either before or after the demand notice concerned is issued, and may make provision for the cessation or adjustment of payments, and for the making of fresh estimates, in the event of the estimate mentioned in regulation 20(2) turning out to be wrong; and if it is entered into after the demand notice has been issued, it may make provision dealing with the treatment for the purposes of the agreement of any sums paid in accordance with Part I of Schedule 1 or a Part II scheme before it was entered into.

(7) A notice to which regulation 20(4) or (5) applies shall (as the billing authority determines) require payment of the amount concerned—

- (a) on the expiry of such period (being not less than 14 days) after the day of issue of the notice as is specified in it; or
- (b) by instalments of such amounts as are specified in the notice, payable at such intervals and on such day in each interval as is so specified.

Notices: further provision

22. No payment on account of the chargeable amount (whether interim, final or sole) need be made unless a notice served under this Part requires it.

Failure to pay instalments

23.—(1) Subject to paragraph (2), where—

- (a) a demand notice has been served by a billing authority on a liable person,
- (b) instalments in respect of the council tax to which the notice relates are payable in accordance with Part I of Schedule 1 or, as the case may be, a Part II scheme, and
- (c) any such instalment is not paid in accordance with that Schedule or, as the case may be, the relevant scheme,

the billing authority shall serve a notice (“reminder notice”) on the liable person stating—

- (i) the instalments required to be paid,
- (ii) the effect of paragraph (3) below, and
- (iii) where the notice is the second such notice as regards the relevant year, the effect of paragraph (4) below.

(2) Nothing in paragraph (1) shall require the service of a reminder notice—

- (a) where all the instalments have fallen due; or
- (b) in the circumstances mentioned in paragraphs (3) and (4).

(3) If, within the period of 7 days beginning with the day on which a reminder notice is issued, the liable person fails to pay any instalments which are or will become due before the expiry of that period, the unpaid balance of the estimated amount shall become payable by him at the expiry of a further period of 7 days beginning with the day of the failure.

(4) If, after making a payment in accordance with a reminder notice which is the second such notice as regards the relevant year, the liable person fails to pay any subsequent instalment as regards that year on or before the day on which it falls due, the unpaid balance of the estimated amount shall become payable by him on the day following the day of the failure.

Payments: adjustments

24.—(1) If the chargeable amount proves to be greater than the estimated amount an additional sum equal to the difference between the two shall, on the service by the billing authority on the liable person of a notice stating the chargeable amount, be due from him to the authority on the expiry of such period (being not less than 14 days) after the day of issue of the notice as is specified in it.

(2) If the chargeable amount proves to be less than the estimated amount the billing authority shall notify the liable person in writing of the chargeable amount; and any overpayment of the chargeable amount—

- (a) subject to paragraph (6), shall be repaid if the liable person so requires, or
- (b) in any other case shall (as the billing authority determines) either be repaid or be credited against any subsequent liability of the liable person to make a payment in respect of any council tax of the authority.

(3) If any assumption by reference to which the estimated amount was calculated is shown to be false before the chargeable amount is capable of final determination for the purposes of paragraphs (1) and (2), the billing authority may, and if so required by the liable person shall, make a calculation of the appropriate amount with a view to adjusting the liable person's liability in respect of the estimated amount and (as appropriate) to—

- (a) requiring an interim payment from the liable person if the appropriate amount is greater than the estimated amount, or
- (b) subject to paragraph (6), making an interim repayment to the liable person if the appropriate amount is less than the amount of the estimated amount paid.

(4) The appropriate amount for the purposes of paragraph (3) is the amount which would be required to be paid under a demand notice if such a notice were issued with respect to the relevant year on the day that the notice under paragraph (5) is issued; and more that one calculation of the appropriate amount and interim adjustment may be made under paragraph (3) according to the circumstances.

(5) On calculating the appropriate amount the billing authority shall notify the liable person in writing of it; and a payment required under paragraph (3)(a) shall be due from the liable person to the billing authority on the expiry of such period (being not less than 14 days) after the day of issue of the notice as is specified in it.

(6) If the chargeable amount or the appropriate amount is less than the estimated amount in consequence of the liable person ceasing during the relevant year to be liable to make the payment to which the estimated amount relates, and he becomes liable, in respect of a different chargeable dwelling, to make a payment to the same billing authority by way of council tax in respect of the same day as that on which he so ceases, the billing authority may require that the amount of any overpayment mentioned in paragraph (2) or difference mentioned in paragraph (3)(b) shall, instead of being repaid, be credited against his liability in respect of the different dwelling.

(7) In this regulation—

“the appropriate amount” has the meaning given in paragraph (4); and

“the estimated amount” means the amount last estimated under regulation 20(2) for the purposes of a demand notice or any subsequent notice given under paragraph 10 of Schedule 1 prior to the failure mentioned in regulation 23(3), save that if in any case an interim adjustment has been made under paragraph (3), it means in relation to the next payment, repayment

or interim adjustment in that case under this regulation (if any) the appropriate amount by reference to which the previous interim adjustment was so made.

Lump sum payments

25.—(1) A billing authority may, subject to the conditions set out in paragraph (2), accept an amount payable in a single lump sum in such cases as it may determine and in satisfaction of any liability of a liable person under a demand notice to which regulation 20(2) applies to pay the estimated amount, being a lump sum which is of an amount determined by the authority and less than the estimated amount.

(2) The conditions are that—

- (a) the determinations under paragraph (1) as to the cases where a lump sum will be accepted and as to the amount of the sum in those cases must be made by the authority on or before the day on which it first sets an amount for the relevant year under section 30 of the Act;
- (b) under those determinations persons liable to pay the same number of instalments in the relevant year must be treated alike, and so that in particular the proportion that the amount of the single lump sum to be accepted in relation to a person bears to the estimated amount payable by him must be the same as that applicable to all other liable persons liable to pay the same number of instalments in the relevant year; and
- (c) for a lump sum to be accepted under those determinations as they have effect in any case—
 - (i) at least two instalments must fall to be paid under the demand notice concerned in accordance with Part I of Schedule 1, a Part II scheme or any agreement under regulation 21(5), and
 - (ii) the single lump sum payment must be made on or before the day on which the first instalment falls due under the notice.

(3) A determination under paragraph (1) may be revoked at any time, and if revoked may (but only on or before the day mentioned in paragraph (2)(a)) be replaced by a fresh determination.

(4) If the chargeable amount proves to be greater than the estimated amount, an additional sum equal to the difference between the two, proportionately reduced in accordance with paragraph (9), shall, on the service by the billing authority on the liable person of a notice stating the chargeable amount, be due from him to the authority on the expiry of such period (being not less than 14 days) after the day of issue of the notice as is specified in it.

(5) If the chargeable amount proves to be less than the estimated amount the billing authority shall notify the liable person in writing of the chargeable amount; and any overpayment of the chargeable amount (proportionately reduced in accordance with paragraph (9))—

- (a) shall be repaid if the liable person so requires, or
- (b) in any other case shall (as the billing authority determines) either be repaid or be credited against any subsequent liability of the liable person to make a payment in respect of any council tax of the authority.

(6) If any assumption by reference to which the estimated amount was calculated is shown to be false before the chargeable amount is capable of final determination for the purposes of paragraphs (4) and (5), the billing authority may, and if so required by the liable person shall, make a calculation of the appropriate amount with a view to adjusting the liable person's liability in respect of the estimated amount and (as appropriate) to—

- (a) requiring an interim payment from the liable person (proportionately reduced in accordance with paragraph (9)) if the appropriate amount is greater than the estimated amount, or

- (b) making an interim repayment to the liable person (proportionately reduced in accordance with paragraph (9)) if the appropriate amount is less than the amount of the estimated amount paid.

(7) The appropriate amount for the purposes of paragraph (6) is the amount which would be required to be paid under a demand notice if such a notice were issued with respect to the relevant year on the day that the notice under paragraph (8) is issued; and more than one calculation of the appropriate amount and interim adjustment may be made under paragraph (6) according to the circumstances.

(8) On calculating the appropriate amount the billing authority shall notify the liable person in writing of it; and a payment required under paragraph (6)(a) shall be due from the liable person to the billing authority on the expiry of such period (being not less than 14 days) after the day of issue of the notice as is specified in it.

(9) The proportion by reference to which a payment or repayment (or sum to be credited) under paragraph (4), (5) or (6) is to be reduced is to be the proportion determined under paragraph (2) (b) in respect of the lump sum concerned in that case; but in determining whether there has been an overpayment of the chargeable amount or appropriate amount (and the amount of any sum to be repaid or credited before reduction as aforementioned) one payment of the lump sum shall be treated as a payment of the estimated amount in full, and any other proportionately reduced payment or repayment already made shall be treated as not having been so reduced.

(10) In this regulation—

“the appropriate amount” has the meaning given in paragraph (7); and

“the estimated amount” means the amount last estimated under regulation 20(2) for the purposes of a demand notice or any subsequent notice given under paragraph 10 of Schedule 1 prior to the payment of the single lump sum mentioned in paragraph (1) above; save that if in any case an interim adjustment has been made under paragraph (6), in relation to the next payment, repayment or interim adjustment in that case under this regulation (if any) it means (except in paragraph (9)) the appropriate amount by reference to which the previous interim adjustment was so made.

Non-cash payments

26.—(1) A billing authority may, subject to the conditions set out in paragraph (2), accept an amount (“discounted amount”) in such cases as it may determine and in satisfaction of any liability of a person to pay to it any instalment or other payment due under a notice given under this Part, being an amount determined by the authority and less than the amount of the instalment or other payment due.

(2) The conditions are that—

- (a) the discounted amount is paid to the authority otherwise than by either bank notes within the meaning of the Currency and Bank Notes Act 1954(2) or coin; and
- (b) the determinations under paragraph (1) as to the cases where a discounted amount will be accepted and as to the proportion that the amount is to bear to the amount of the instalment or other payment due in those cases must be made by the authority on or before the day on which it first sets an amount for the relevant year under section 30 of the Act.

(3) Subject to paragraph (5), a determination under paragraph (1) may be revoked at any time, and if revoked may (but only on or before the day mentioned in paragraph (2)(b)) be replaced by a fresh determination.

(4) For the purpose of determining whether an adjustment of any amount paid (whether by way of repayment, crediting or otherwise) falls to be made under this Part where a discounted amount has been accepted, the instalment or other payment by reference to which the discounted amount was accepted shall be treated as having been paid in full; but any amount to be repaid or credited against any subsequent liability in any case shall, insofar as it is attributable to such an instalment or other payment, be reduced in accordance with the proportion determined under paragraph (2)(b) in respect of that case.

(5) Paragraph (4), and the power to revoke under paragraph (3), have effect in any case subject to any agreement to the contrary between the billing authority and the person liable to pay the instalment or other payment concerned.

Joint and several liability

27.—(1) This regulation applies in a case where, in relation to any chargeable dwelling and any day—

- (a) by virtue of section 6(3) or (4)(b), 7(4) or (5), or 8(4) or (5) of the Act, two or more persons; or
- (b) by virtue of section 9(1) of the Act, both the liable person and any other resident of the dwelling to whom he is married (“the spouse”),

are jointly and severally liable to pay council tax in respect of the dwelling and that day.

(2) In a case to which this regulation applies and subject to regulation 28(1), in relation to each day in the chargeable period concerned on which an amount payable in respect of council tax is unpaid, the persons referred to in paragraph (1)(a) or, as the case may be, paragraph (1)(b) shall be jointly and severally liable to pay such fraction of—

- (a) where the day by which all instalments payable under a demand notice in accordance with Part I of Schedule 1 or a Part II scheme are payable has passed, the aggregate amount of those instalments (together with the amount of any excess payable in accordance with paragraph 10(5) of that Schedule),
- (b) where paragraph (3) of regulation 23 applies, the estimated amount mentioned in that paragraph,
- (c) the chargeable amount or appropriate amount stated in a notice given under regulation 24(1) or (5) or 25(4) or (8),
- (d) the amount stated in a notice given under paragraph 9(3) of Schedule 1,
- (e) the amount required to be paid by a demand notice to which regulation 20(4) or (5) applies, or
- (f) the amount stated in a notice given under regulation 31(2),
- (g) any amount payable under an agreement under regulation 21(5),

as is represented by

$$\frac{A}{B}$$

where—

A is the number of days in the chargeable period on which persons are jointly and severally liable, and

B is the number of days in the chargeable period.

(3) Where the fraction

A
B

mentioned in paragraph (2) gives a result of less than 1 and

a person is accordingly solely liable with respect to a part of such an amount as is mentioned in that paragraph and jointly and severally liable in respect of another part, any payment made by the person in respect of it (whether before or after the giving of a notice under regulation 28(1)) shall be treated as being made towards satisfaction of the part for which he is solely liable unless and until his liability in respect of that part is discharged.

(4) References in paragraph (2) to provisions of this Part, and to notices given under such provisions, include references to those provisions (and notices given under those provisions) as applied by paragraph 9(6) of Schedule 1.

(5) For the purposes of this regulation and regulation 28—

“the chargeable period” means the period consisting of the days which fall within the financial year concerned and on which a person is liable to pay council tax; and two persons are married to each other if they are a man and a woman—

(a) who are married to each other; or

(b) who are not married to each other but are living together as husband and wife.

(6) Where a billing authority collects a penalty from the liable person in accordance with regulation 29(1)(a), references in paragraph (2) above to an amount do not include references to such part of the amount as is attributable to the penalty; but any payment made by the liable person in respect of the amount shall (unless it is made while the penalty is subject to appeal or arbitration) be treated as being made towards satisfaction of the penalty unless and until his liability in respect of the penalty is discharged.

Joint and several liability: further provision

28.—(1) An amount shall not be payable by a person pursuant to regulation 27(2) unless a notice has been served on him by the billing authority stating the amount; and it shall be due from him to the authority at the expiry of such period (being not less than 14 days) after the day of issue of the notice as is specified in it.

(2) A notice under paragraph (1) may be served before the expiry of the chargeable period; and if on the day such a notice is issued the relevant year has not expired, it shall be assumed that the circumstances concerning any factor which might affect the ratio

A
B

in regulation 27(2) will remain as they stand at the time of issue of the notice; and without prejudice to the generality of the foregoing, the factors include—

(a) the question whether, in a case to which regulation 27 applies by virtue of section 6(3) or (4)(b), 7(4) or (5), or 8(4) or (5) of the Act, on any day persons will be jointly and severally liable to pay any amount in respect of council tax,

(b) the question whether, in a case to which regulation 27 applies by virtue of section 9(1) of the Act, the liable person will remain liable to the tax concerned.

(3) If a notice is served under paragraph (1) on such an assumption as is mentioned in paragraph (2), and the assumption is shown to be false, the billing authority shall serve a further notice—

(a) in the case mentioned in paragraph (2)(a), on each of the persons concerned;

(b) in the case mentioned in paragraph (2)(b), on the liable person and the spouse,

stating the revised sum for which the person is jointly and severally liable under this regulation, calculated on the assumptions mentioned in paragraph (2) and as if the notice mentioned in that paragraph were the further notice served under this paragraph.

(4) If after a notice is served under paragraph (1) a notice is served—

- (a) in the case mentioned in paragraph (2)(a), on any of the persons concerned;
- (b) in the case mentioned in paragraph (2)(b), on the liable person,

which adjusts an amount mentioned in regulation 27(2), or which otherwise notifies a change of the amounts with respect to which persons have a joint and several liability under that regulation, a further notice shall also be served on each of the other persons concerned or, as the case may be, on the spouse, stating the revised sum for which the person or spouse is jointly and severally liable under the regulation.

(5) If the sum stated in the further notice served under paragraph (3) or (4) is greater than the sum stated in the notice served under paragraph (2), the amount of the difference shall be due from the other person concerned or, as the case may be, the spouse to the billing authority on the expiry of such period (being not less than 14 days) after the day of issue of the further notice as is specified in it.

(6) If the sum stated in the further notice served under paragraph (3) or (4) is less than the sum stated in the notice served under paragraph (1) and there has been an overpayment by the other person concerned or, as the case may be, the spouse, the amount overpaid—

- (a) shall be repaid if the other person or the spouse so requires, or
- (b) in any other case shall (as the billing authority determines) either be repaid or be credited against any subsequent liability of the person or the spouse to make a payment in respect of any council tax of the authority.

(7) Regulation 24(3)(b) applies as if the reference to the liable person includes, insofar as concerns the difference between the joint and several liability under regulation 27(1) of the spouse in respect of the appropriate amount or recalculated amount referred to in those provisions and the amount he has paid in respect of the estimated amount so referred to, a reference to the spouse, and as if the reference to regulation 24(6) were a reference to that provision as applied by paragraph (9) below; and accordingly any requirement which may be made by the liable person under regulation 24(3) for a calculation of the appropriate amount or for a recalculation of the estimated amount (as the case may be) may also be made by the spouse.

(8) In a case where—

- (a) payments have been made by the spouse under regulation 27 or this regulation, and by the liable person, in respect of any amount for which the latter is liable under this Part, and
- (b) a sum would fall to be repaid to the liable person or credited against a liability of his if all of those payments had been made by him,

the sum shall, to the extent that it does not exceed payments made by the spouse, be repaid to or credited in favour of the spouse.

(9) If the circumstances described in regulation 24(6) have arisen, the billing authority may require that any amount of the overpayment or difference mentioned in that provision which might otherwise fall to be repaid to the spouse shall, instead of being repaid, be credited against any prospective liability of the spouse under regulation 27.

Collection of penalties

29.—(1) Subject to paragraphs (2) to (4), where a penalty is payable by a person to a billing authority under any of sub-paragraphs (1) to (3) of paragraph 1 of Schedule 3 to the Act it may be collected, as the authority to which it is payable determines, either—

- (a) by treating the penalty for the purposes of regulations 20 and 21 and Schedule 1 as if it were part of the amount that the person is or will be liable to pay in respect of council tax as regards any demand notice issued pursuant to regulation 20(2) after the penalty is imposed, or
- (b) by the service by the authority on the person of a notice requiring payment of the penalty on the expiry of such period (being not less than 14 days) after the issue of the notice as is specified in it.

(2) Where the imposition of a penalty is subject to an appeal or arbitration, no amount shall be payable in respect of the penalty while the appeal or arbitration is outstanding.

(3) The imposition of a penalty is to be treated as subject to an appeal or arbitration for the purposes of this regulation and regulation 27(6) until such time as the matter is finally disposed of in accordance with regulations under paragraph 4 of Schedule 11 to the Local Government Finance Act 1988 (valuation tribunals) or is abandoned or fails for non-prosecution; and the circumstances in which an appeal is to be treated as failing for non-prosecution include the expiry of any time prescribed under paragraph 8(2)(a) of that Schedule in consequence of which any such appeal would be required to be dismissed by a valuation tribunal.

(4) A demand notice making provision for the recovery of a penalty which is subject to appeal or arbitration may not be issued under paragraph (1)(a) during the period that the appeal or arbitration concerned is outstanding; and where a penalty becomes subject to appeal or arbitration after the issue of a demand notice which makes such provision, such proportion of the instalments due under it as are attributable to the penalty shall not fall due until the appeal or arbitration is finally disposed of, abandoned or fails for non-prosecution.

(5) Where an amount has been paid by a person in respect of a penalty which is quashed under paragraph 1(6) of Schedule 3 to the Act or pursuant to the order of a valuation tribunal or the High Court(3), the billing authority which imposed the penalty may allow the amount to him by way of deduction against any other sum which has become due from him under this Part (whether in respect of another penalty or otherwise); and any balance shall be repaid to him.

Appeals in relation to estimates

30. Section 16(1) of the Act shall not apply where the ground on which the person concerned is aggrieved is that any assumption as to the future that is required by this Part to be made in the calculation of an amount may prove to be inaccurate.

Demand notices: final adjustment

31.—(1) This regulation applies where—

- (a) a notice has been issued by a billing authority under this Part requiring a payment or payments to be made by a person in respect of his liability to pay council tax for a financial year or part of a financial year,
- (b) the payment or payments required to be made are found to be in excess of or less than his liability for the year or the part, and
- (c) provision for adjusting the amounts required under the notice and (as appropriate) for the making of additional payments or the repaying or crediting of any amount overpaid is not made by any other provision of this Part, of the Act or of any agreement entered into under regulation 21(5).

(3) See paragraphs 10A and 11(2)(d) of Schedule 11 to the Local Government Finance Act 1988, as inserted and substituted respectively by the Local Government Finance Act 1992, Schedule 13, paragraph 88(9) and (11).

(2) The billing authority shall as soon as practicable after the expiry of the year or the part of a year serve a further notice on the person stating the amount of his liability for the year or the part, and adjusting (by reference to that amount) the amounts required to be paid under the notice referred to in paragraph (1)(a).

(3) If the amount stated in the further notice is greater than the amount required to be paid under the notice referred to in paragraph (1)(a), the amount of the difference for which such other provision as is mentioned in paragraph (1)(c) is not made shall be due from the person to the billing authority on the expiry of such period (being not less than 14 days) after the day of issue of the notice as is specified in it.

(4) If there has been an overpayment, the amount overpaid for which such other provision as is mentioned in paragraph (1)(c) is not made—

- (a) shall be repaid if the person so requires, or
- (b) in any other case shall (as the billing authority determines) either be repaid or be credited against any subsequent liability of the person to make a payment in respect of any council tax of the authority.