

Council tax discounts and exemptions for the Severely Mentally Impaired

Council tax legislation allows for the award of a discount or exemption in certain circumstances if one of the members of a household is diagnosed as severely mentally impaired (SMI).

To qualify for a SMI exemption or discount the person affected firstly has to be in receipt of a qualifying benefit:

- An invalidity pension
- Attendance Allowance
- Sever Disablement Allowance
- Care component of a Disability Living Allowance at either higher or middle rate
- Increase in rate of Disablement Pension where constant attendance needed
- Disability Working Allowance
- Unemployability Supplement
- Constant Attendance Allowance at one of the four rates payable with Disablement Benefit or War Disablement Pension
- Unemployability Allowance payable with War Disablement Pension

Assuming that one of the above benefits is in payment, then whether or not a discount or exemption can be awarded is dependent on who else lives with the person suffering from SMI, and whether or not they count as a resident for council tax purposes. Examples of residents who are disregarded for council tax purposes include anyone under the age of 18, and full-time students. Examples of persons who do count for council tax purposes include non-dependent children over the age of 18 not in full-time education, and lodgers.

If the person suffering from SMI is the only person in the household who counts for council tax purposes, then on receipt of written confirmation of their condition from their Doctor, a full exemption from payment of council tax will be awarded on the grounds of SMI.

If only one other person in the SMI sufferers household counts for council tax purposes, then a 25% SMI discount will be awarded. If two or more persons in the household count for council tax purposes however, then no discount can be awarded.

Council tax staff are well aware of the availability of a SMI exemption or discount, and there is a standard application form for applying for the same. The award of the exemption/discount is dependent on the receipt of a completed application. The Council then write to the Doctor for confirmation of the applicant's condition. The main reason the Council contact the Doctor themselves is to ensure that there are no charges for providing written confirmation. Although the law prohibits such charges, previous experience shows that not every Doctor is aware of that fact.

At the current point in time there are approximately 52,000 council tax payers in Wyre, 145 of which currently receive Class U SMI full exemptions from payment of council tax. In addition there are currently 202 live 25% SMI council tax discounts.

The Council website is currently being updated with the introduction of a Citizens Access Portal (CAP) being planned for 2018. Within the CAP will be detailed information about all of the council tax discounts and exemptions available and who can claim them. It is envisaged that the introduction of the CAP will result in council tax payers becoming much more aware of the circumstances under which they can claim a council tax reduction.

Peter Mason
Head of Contact Centre
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