

Notes for guidance for the council tax collection return (CTC), April 2025 to March 2026

County and county borough councils only should complete this return.

Section A: council tax

General exclusions:

- Council tax reduction scheme.
- Transitional relief grant, council tax reduction scheme grant, transitional grant, or amounts received in respect of court costs.
- Please note that although the grants listed above no longer apply they should still be excluded from any arrears.
- Amounts received in respect of arrears of domestic rates relating to 1989-90 or earlier years and prepayments of 2025-26 council taxes or non-domestic rates. Prepayments should be shown in the year to which they relate, not the year in which they are received.

Council Tax Benefit Grant has been removed. Council Tax Reduction Scheme data will be collected separately to feed into the Distribution Subgroup.

Line 1: Total arrears brought forward

The total of arrears brought forward on 1 April 2025 in respect of years prior to 2025-26.

Line 2: In-year debit for the year

Column 1: The debit raised in 2025-26 relating to earlier years, net of the amounts in respect of the general exclusions given above. Includes amounts due from the Home Office in respect of Class O exempt dwellings.

Column 2: The most recent estimate of the amount of council tax billed, or due to be billed, for the financial year 2025-26, net of the amounts in respect of the general exclusions given above. Includes amounts due from the Home Office in respect of Class O exempt dwellings.

Line 4: Amounts received in 2025-26

Noting the general exclusions above:

Column 1: Includes amounts of arrears of council tax and Class O exempt dwellings relating to years 1993-94 to 2024-25.

Column 2: Includes amounts of council tax collected, including that collected on behalf of police and crime commissioners and community councils and the amounts received from the Home Office in respect of Class O exempt dwellings.

Line 4, column 2 should not include:

Receipts of council tax relating to years other than 2025-26.

Any account credits in respect of 2025-26, including refunds to be made to council taxpayers in respect of 2025-26 that were not granted before 31 March 2025.

Line 7: The budgeted amount to be collected in 2025-26

For 2025-26, the anticipated gross income from council taxes net of council tax reduction scheme. This should equate to BR1 form (2025-26) line 5 + line 16 less CTRS.

If the total debit is less than the budgeted amount, please provide an explanation.

Line 10.1: Number of properties liable for long-term empty property premium

The number of properties liable to pay the long-term empty property premium as at 31 March 2026.

Line 10.2: Number of properties liable for second home premium

The number of properties liable to pay the second home premium as at 31 March 2026.

Line 10.3: Income received from charging a premium on long term empty properties

The income received in year from charging premium on long term empty properties. This will be the amount of premiums levied/charged in 2025-26. This will include premiums charged for the 2025-26 financial year and any premiums charged for previous financial years (e.g., where the VOA have determined any retrospective liabilities).

Line 10.4: Income received from charging a premium on second homes

The income received in year from charging premium on second homes. This will be the amount of premiums levied/charged in 2025-26. This will include premiums charged for the 2025-26 financial year and any premiums charged for previous financial years (e.g., where the VOA have determined any retrospective liabilities).

Section B: Non-Domestic rates

Line 10.5: Estimated in-year net collectable debit

This is the sum of amounts of non-domestic rates payable for which ratepayers are liable in respect of 2025-26 non-domestic rates (net of empty property and other reliefs). That is, the amount that local authorities would expect to collect if every non-domestic ratepayer paid the full amount for which they are liable for 2025-26 (after empty property and other reliefs). This figure should be the amount before any adjustments are made for write-offs or provision for bad debts. The net collectable debit should take account of any adjustments made up to 31 March 2025.

It should **not** include:

- Amounts for which non-domestic ratepayers are not liable e.g. any reliefs granted;
- Debits (i.e. non-domestic rates bills) which have been raised in error;
- Any debits raised in 2025-26 in respect of previous years. For example, where a local authority has to issue a non-domestic rates bill relating to a prior year charge because the original bill was incorrect;
- The element of the debit in respect of court costs or penalties payable to the Council Fund.

Please note that the figure in line 10.5 should be greater than the in-year amount collected. If it is not, then the collection rate for 2025-26 will be incorrectly calculated at more than 100%.

Line 11: Receipts of 2025-26 non-domestic rates (net of refunds)

Includes:

- Cash receipts in respect of prior years' taken as credit for 2025-26 liabilities;
- Rates received from non-domestic ratepayers (including rates on local authority properties);
- Rates received from other local authorities.

Excludes:

- Any rate relief whether funded by the NDR pool or by the local authority (discretionary rate relief).

Line 11 should not include:

Receipts of non-domestic rates relating to years other than 2025-26.

Any account credits in respect of 2025-26, including refunds to be made to non-domestic ratepayers in respect of 2025-26 that were not granted before 31 March 2026.

Line 12: Receipts of non-domestic rates for earlier years (net of refunds)

Includes:

- Rates received from non-domestic ratepayers (including rates on local authority properties);
- Rates received from other local authorities.

Excludes:

- Amounts received in the years prior to 2025-26 that are taken as credit for 2025-26 liabilities;
- Any rate relief whether funded by the NDR pool or by the local authority (discretionary rate relief).