Shetland Islands Council

Revenues
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Council Tax Discount / Exemption for Unoccupied Properties
An unoccupied property is a dwelling which is not used as anyone's sole or main residence, and which is not a second home.

Unfurnished
A dwelling which is both unoccupied and unfurnished can receive a full exemption on council tax for up to 6 months, where it was previously occupied for a period of 3 months or more. If the dwelling continues to be unoccupied beyond 6 months, the discount automatically progresses to a 50% discount. If the property continues to be unoccupied beyond a year, the Long-Term Empty (LTE) levy will apply.

Furnished
When a dwelling is unoccupied and furnished a 50% discount will apply for up to 6 months from the date of last occupancy. Once this expires, a 10% discount will apply for the following 6 months. If the property continues to be unoccupied beyond a year, the LTE levy will apply.

New Build Properties
New dwellings which are unoccupied and unfurnished are exempt for up to 6 months from the date the property was entered onto the valuation list. If the property is unoccupied beyond 6 months, the discount progresses to 50% for the following 6 months. If the new build is unoccupied beyond 1 year, the LTE levy will apply.

Under Reconstruction
This exemption applies to an unoccupied property, which is incapable of habitation, as structural repairs, improvements, or reconstruction works are taking place. This exemption does not apply to dwellings in which routine redecoration, painting, etc is taking place.

The exemption only applies for the period that the works are being carried out, up to a maximum of 12 months from the last day of occupancy. The owner of the property must notify the Council immediately once the works are complete. If the property is unoccupied beyond 1 year, the LTE levy will apply.

Long-Term Empty (LTE)
A dwelling is considered Long Term Empty if it has been unoccupied beyond 1 year. Councillors agreed on 22/02/24 that the increase levy would be phased in over the next 4 years as follows;

Financial Year	**Levy %**	**Charge to be applied**
2024/25	25%	125%
2025/26	50%	150%

2026/27	75%	175%
2027/28	100%	200%

Properties Marketed for Sale / Let

Properties that are being actively marketed for sale or let, which have been continuously unoccupied for less than two years, are exempt from the LTE levy. A full charge will apply up to two years from the date of last occupation. Discretionary powers can be used to exempt the property from the LTE Levy for an additional year from last occupation (3 years from last occupation), and a full charge should be applied.
LTE Levy will apply after this 3-year period has elapsed.

Long-Term Empty Properties – Change in Ownership

An unoccupied dwelling is exempt from the increased levy where;

a) There was a change in ownership and
b) The property is undergoing repairs or renovations that contribute to the improvement of the property

In such situations a 50% discount will apply for the first 6 months from change in ownership. However, there are scenarios where renovation works take longer than 6 months due to the extent of work required. In such scenarios, discretionary powers should be used to exempt the property from the LTE Levy and a full charge should be applied instead, for up to 2 years from change in ownership or last occupation.

Unoccupied Property Discount Progression

Circumstances in unoccupied Dwelling	**First 6 months**	**Following 6 months**	**If marketed for sale / let – up to 2 years unoccupied**	**Unoccupied beyond 1 year and not marketed for sale /let**
Unfurnished	exemption	50% discount	10% discount	LTE levy
Furnished	50% discount	10% discount	10% discount	LTE levy
New build property unfurnished	exemption	50% discount	10% discount	LTE levy
New build property furnished	50% discount	10% discount	10% discount	LTE levy
Under Reconstruction	exemption	exemption	10% discount	LTE levy

Please Note: The Shetland Islands Council may visit the property in order to verify the circumstances within the property.

Shetland Islands Council

Application form for Unoccupied Discount / Exemption

PART A: Personal information

Full name(s) of person(s) applying for discount / exemption:

Council Tax Account Number:

Address of unoccupied dwelling:

Postcode:

Please confirm the date the property became unoccupied (if known):

Please provide the name(s) and forwarding address of anyone who has moved out of the property (leave blank if the property is a new build / newly purchased):

Name:	Forwarding Address:	Date moved out:

Please answer the below questions in relation to the dwelling:

Is the property furnished?	Yes ☐	No☐
Is the property a new build property?	Yes ☐	No☐
Is the property being actively marketed for sale / let?	Yes ☐	No☐
Are you undertaking repair / renovation work in order to improve the property?	Yes ☐	No☐
Is the Property unoccupied and the sole liable person is a student?	Yes ☐	No☐

Please use the below box to provide any additional information:

PART B: Evidence to Support Application

Please indicate below which evidence you have enclosed, to support your application:

Photos of each of the main rooms within the dwelling, showing the property is unfurnished.	☐
Evidence the property is being actively marketed for sale / let. The space below can be used to provide links to relevant websites;	☐
Photos of the inside of the property, showing the repair / renovation work underway. Please confirm below the date such work commenced;	☐
Receipts for repair / renovation work underway, or a schedule or works. Please confirm below the date such work commenced;	☐
Student Certificate from educational institute.	☐
Other, provide information below;	☐

PART C: Applicant's declaration

I accept responsibility for the information given in this form, and declare that it is true and accurate to the best of my knowledge and belief.

I authorise the council to make any enquiries it considers necessary to verify the details of this claim.

I undertake to notify Shetland Islands Council Local Taxation Team immediately if circumstances or the occupancy of the dwellings change.

Applicant's signature:	Date:

Applicant's Home Address:

Postcode:

Telephone number:	Email address:

Would you like to receive your council tax bills electronically to the above email address?

Yes ☐ No ☐

When you have completed this form, please post to the address on page 1 of the application form. **Please include the supporting evidence requested in Part B.**