

Households urged to get ready for £150 council tax rebate

- 20 million households to benefit from £3 billion scheme to help with cost of living pressures
- Comes as part of a £9 billion package to help spread the cost of rising energy bills
- 4 out of 5 households will benefit including around 95% of rented properties
- Households encouraged to set up council tax direct debits to ensure payment is made automatically from April

Households across England are being urged to set up direct debits with their local council to receive a £150 council tax rebate that will help millions of families manage costs of living.

People who pay council tax by direct debit, which is a safe, simple and quick way to pay will see the cash go directly into their bank accounts from April. Those who do not pay by direct debit will be contacted by their council and invited to make a claim.

Around 20 million households in council tax bands A to D – including 95% of rented properties – are set to benefit from the £3 billion council tax rebate, which does not have to be repaid. It is part of an extensive package of government measures to help families with rising energy costs.

An extra £144 million will also be given to councils to provide discretionary support to vulnerable households who may not qualify for the £150 council tax rebate. This includes people on low incomes in council tax bands E to H.

Secretary of State for Levelling Up Rt Hon Michael Gove said:

As we emerge from the pandemic, we understand the pressures facing many families as global inflation levels increase.

The support we have introduced will help millions of people, particularly those on the lowest incomes and the most vulnerable.

We continue to stand behind the British people and I urge everyone who is eligible to claim this rebate to do so.

The advice follows the publication of [guidance for councils](#) today (23 February 2022) which will help them administer the rebate.

The council tax rebate is part of a £9.1 billion government support package, which from October, includes a further reduction of £200 on energy bills for domestic electricity customers.

The £200 reduction will help people manage the increase in energy bills by spreading the increased costs over a few years, so they are more manageable for households. It will be automatically recovered from people's bills in equal £40 instalments over 5 years, beginning in 2023, when global wholesale gas prices are expected to come down.

The Warm Home Discount will be expanded so nearly 3 million low-income households will benefit from a £150 discount.

All households in England are placed by the Valuation Office Agency into 1 of 8 council tax bands, ranging from band A to band H.

Households living in a property valued in council tax bands A to D as their main home will be eligible for a £150 council tax rebate.

An extra £144 million will also be given to councils to provide discretionary support to vulnerable households who may not qualify for the £150 council tax rebate. This includes people on low incomes in council tax bands E to H.

Householders can find their council tax banding via [Check your Council Tax band](#).