

Council Tax information letter 3/2025: Ukraine Permission Extension council tax regulations

Introduction

This letter summarises the disregards and exemptions available in connection with the Homes for Ukraine scheme, including the provisions of the Council Tax (Discount Disregard and Exempt Dwellings) (Amendment) (England) 2025 (“the 2025 Regulations”). These were laid before Parliament on 3 March 2025 and come into force on 25 March 2025

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- Disregard of thank you payments in council tax reduction schemes
- Guidance for councils

The Council Tax (Discount Disregard and Exempt Dwellings) (Amendment) (England) Regulations 2025

This letter summarises the disregards and exemptions available in connection with the Homes for Ukraine scheme, including the provisions of the Council Tax (Discount Disregard and Exempt Dwellings) (Amendment) (England) 2025 (“the 2025 Regulations”). These were laid before Parliament on 3 March 2025 and come into force on 25 March 2025. See the [Regulations](#) and [Explanatory Memorandum](#).

Homes for Ukraine scheme background

The government’s longstanding policy is that households will not lose council tax discounts, exemptions or support by hosting a person in connection with the Homes for Ukraine scheme. In reflection of this, the [Council Tax \(Discount Disregards and Exempt Dwellings\) \(Amendment\) \(England\) Regulations 2022](#) (“the 2022 Regulations”) already ensure that, in England, a person who has secured a visa under the Homes for Ukraine (HfU) is disregarded for council tax discounts. ^{[footnote](#)}

¹ This protects the host’s single person discount and the 50% discount received by households where all the occupants are already disregarded. It also ensures that there is no loss of a council tax exemption.

These protections are not affected by the 2025 Regulations, and last for as long as the person continues to hold a Homes for Ukraine visa, even if they no longer live in accommodation provided by a host.

Ukraine Permission Extension scheme

The Ukraine Permission Extension (UPE) scheme was announced by the Home Office on 18 February 2024 and came into operation on 4 February 2025. It allows eligible Ukrainian nationals or their family members already in the UK to continue living here for up to a further 18 months. Eligible people will begin moving to UPE visas from late March 2025 as their original visas begin to expire. This will include a cohort of HfU visa holders who will move to UPE while living in accommodation provided by a HfU host.

The 2025 Regulations ensure that persons moving to a UPE visa (“guests”) do not affect the council tax discount or exemption of a person hosting them in connection with the Homes for Ukraine scheme.

Where a host is eligible for a thank you payment under guidance published by the Ministry of Housing, Communities and Local Government, on 24 February 2025, the following will apply:

- the guest is to be disregarded for the purposes of council tax discounts, protecting the hosts' single person discount (or the 50% discount received by households where all the occupants are already disregarded)
- the bill of guests forming their own household in accommodation provided by the host will be reduced by 50%
- the guest will not affect any council tax exemption applying to their accommodation

Where the guest leaves the sponsorship arrangements, for example moving to their own property, part way through a calendar month, the disregard and protection of exemption applying to them will expire at the end of that month.

Billing authorities are responsible for determining whether the eligibility criteria in the guidance are met, and for applying any disregard or exemption.

The 2025 Regulations do not provide a disregard or protection of exemption in respect of UPE immigration permission holders who do not have a host eligible for a thank you payment. This includes people:

- who entered the UK with a Ukrainian Families, Ukraine Extension Scheme or other visa
- who previously held a HfU immigration permission and no longer have a host who is eligible for a thank you payment

Disregard of thank you payments in council tax reduction schemes

[Regulation 17 of the Council Tax Reduction Schemes \(Prescribed Requirements\) \(England\) Regulations 2012](#) requires that all council tax reduction schemes must disregard any thank you payments when assessing an applicant's claim for support. This disregard applies regardless of whether the applicant receives a thank you payment in respect of a person holding a HfU or UPE immigration permission.

Guidance for councils

The government has published [guidance for councils](#) supporting guests who hold (or previously held) Homes for Ukraine permission and have applied, or will be applying, for permission under the Ukraine Permission Extension (UPE) scheme.

Should you have any queries about the 2025 Regulations, please contact the Department at: council.tax@communities.gov.uk.

Local Taxation and Pensions Division
Ministry of Housing, Communities and Local Government