SCOTTISH STATUTORY INSTRUMENTS

2025 No. 150

COUNCIL TAX

The Council Tax Reduction (Miscellaneous Amendment) (Scotland) (No. 3) Regulations 2025

Made - - - -	*14th May 2025*
Laid before the Scottish Parliament	*16th May 2025*
Coming into force - -	*25th June 2025*

The Scottish Ministers make the following Regulations in exercise of the powers conferred by sections 80, 113(1) and (2) and paragraph 1 of schedule 2 of the Local Government Finance Act 1992(**a**) and all other powers enabling them to do so.

Citation and commencement

1. These Regulations may be cited as the Council Tax Reduction (Miscellaneous Amendment) (Scotland) (No. 3) Regulations 2025 and come into force on 25 June 2025.

Amendment of the Council Tax Reduction (State Pension Credit) (Scotland) Regulations 2012

2.—(1) The Council Tax Reduction (State Pension Credit) (Scotland) Regulations 2012(**b**) are amended in accordance with paragraphs (2) to (7).

(2) In regulation 2(1) (interpretation)—

(a) after the definition of "mover" insert—

""neonatal care leave" means leave under section 80EF the Employment Rights Act 1996(**c**);",

(b) after the definition of "statutory maternity pay" insert—

""statutory neonatal care pay" means statutory neonatal care pay under section 171ZZ16 of the 1992 Act(**d**);".

(3) In regulation 6(7) (remunerative work), after " paternity leave," insert "neonatal care leave,".

(4) In regulation 27(1)(j) (meaning of income), after head (xviii) insert—

"(xviiiza) statutory neonatal care pay;".

(**a**) 1992 c. 14. Section 80 and paragraph 1 of schedule 2 were amended by paragraph 176 of schedule 13 of the Local Government etc. (Scotland) Act 1994 (c. 39). There are other amendments to section 80 and amendments to section 113(1) and (2) that are not relevant to these Regulations. The functions of the Secretary of State, in so far as within devolved competence, were transferred to the Scottish Ministers by virtue of section 53 of the Scotland Act 1998 (c. 46).

(**b**) S.S.I. 2012/319, which was relevantly amended by S.I. 2014/3255 and S.I. 2020/354.

(**c**) 1996 c. 18. Section 80(EF) was inserted by paragraph 2 of the schedule of the Neonatal Care (Leave and Pay) Act 2023 (c. 20).

(**d**) 1992 c. 4. Section 171ZZ16 was inserted by paragraph 5 of the schedule of the Neonatal Care (Leave and Pay) Act 2023 (c. 20).

(5) In regulation 29 (treatment of child care charges)—

(a) in paragraph (15)—

(i) in the run-in words, after "paternity leave," insert "neonatal care leave,",

(ii) in sub-paragraph (a), after "paternity leave," insert "neonatal care leave,",

(iii) in sub-paragraph (c), after "statutory paternity pay(**a**)," insert "statutory neonatal care pay,",

(b) in paragraph (16)—

(i) in the run-in words, after "paternity leave," insert "neonatal care leave,",

(ii) in sub-paragraphs (b) and (c), after "statutory paternity pay," insert "statutory neonatal care pay,".

(6) In regulation 32(1) (earnings of employed earners), after sub-paragraph (i) insert—

"(iza) statutory neonatal care pay;".

(7) In regulation 33(2)(d) (calculation of net earnings of employed earners), after "statutory paternity pay," insert "statutory neonatal care pay,".

Amendment of the Council Tax Reduction (Scotland) Regulations 2021

3.—(1) The Council Tax Reduction (Scotland) Regulations 2021(**b**) are amended in accordance with paragraphs (2) to (7).

(2) In regulation 4 (interpretation)—

(a) after the definition of "mover" insert—

""neonatal care leave" means leave under section 80EF of the Employment Rights Act 1996,",

(b) after the definition of "statutory maternity pay" insert—

""statutory neonatal care pay" means statutory neonatal care pay under section 171ZZ16 of the 1992 Act,".

(3) In regulation 10(7) (remunerative work), after "paternity leave," insert "neonatal care leave,".

(4) In regulation 49(4) (employed earnings (applicant with an award of universal credit)), after sub-paragraph (d) insert—

"(da) statutory neonatal care pay,".

(5) In regulation 50(2)(employed earnings (applicants with no award of universal credit))—

(a) in sub-paragraph (j), after "statutory paternity pay," insert "statutory neonatal care pay,",

(b) in sub-paragraph (k), after "paternity leave," insert "neonatal care leave,".

(6) In regulation 77 (treatment of childcare charges (applicants with an award of universal credit))—

(a) in paragraph 16—

(i) in the run-in words, after "paternity leave," insert "neonatal care leave,",

(ii) in sub-paragraph (a), after "paternity leave," insert "neonatal care leave,",

(iii) in sub-paragraph (c), after "statutory paternity pay by virtue of section 171ZA or 171ZB of the 1992 Act," insert "statutory neonatal care pay,",

(b) in paragraph 17—

(i) in the run-in words, after "paternity leave," insert "neonatal care leave,",

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(**a**) The reference to "statutory paternity pay" was substituted by S.I. 2014/3255.
(**b**) S.S.I. 2021/249, to which there are amendments not relevant to these Regulations.

(ii) in sub-paragraphs (b) and (c), after "statutory paternity pay," insert "statutory neonatal care pay,".

(7) In schedule 3 (sums to be disregarded in the calculation of earnings), in paragraph 2 (c) (ii), after "paternity leave," insert "neonatal care leave,".

SHONA ROBISON
A member of the Scottish Government

St Andrew's House,
Edinburgh
14th May 2025

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make amendments to the Council Tax Reduction (State Pension Credit) (Scotland) Regulations 2012 ("the 2012 Regulations") and the Council Tax Reduction (Scotland) Regulations 2021 ("the 2021 Regulations").

Regulation 2 amends the 2012 Regulations. It provides for statutory neonatal care pay paid in accordance with section 171ZZ16 of the Social Security Contributions and Benefits Act 1992 to be taken into account as employed earnings of a person who is employed in calculating their entitlement to council tax reduction. It also provides for childcare costs to continue to be considered in calculating entitlement to council tax reduction during a period of neonatal care leave. This is on account of a person being treated as being in remunerative work, for the purposes of childcare costs, whilst on neonatal care leave. A person will for all other purposes be treated as not being in remunerative work during neonatal care leave, given the change made by regulation 2(3), hence the payment will not be disregarded in the calculation of employed earnings. It is only earnings obtained through remunerative work that fall to be disregarded in calculating employed earnings, applying schedule 2 of the 2012 Regulations.

Regulation 3 amends the 2021 Regulations to make the equivalent changes in relation to the treatment of statutory neonatal care pay and neonatal care leave as are made to the 2012 Regulations.

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