



EMBARGOED UNTIL 00:01 THURSDAY 11 OCTOBER 2007

[www.taxpayersalliance.com](http://www.taxpayersalliance.com)

- PRE-BUDGET REPORT PROJECTS COUNCIL TAX RISE OF ALMOST 30 PER CENT OVER NEXT FIVE YEARS
- HUGE RISE EQUIVALENT TO £370 PER YEAR FOR A BAND D PROPERTY IN ENGLAND

Buried in the small print of the Pre-Budget Report is some very worrying news for council taxpayers, who have already seen council tax almost double over the last decade:

- The Government's projection of the increase in council tax between 2007-08 and 2008-09 can be found in Table B8. Council tax revenue is projected to increase by 5.1 per cent, from £23.7 billion to £24.9 billion.
- Paragraph B.52 explains how "the council tax figures for 2008-09 onwards are based upon the arithmetic average of council tax increases over the past three years". This means that the same increase of around 5 per cent is expected in future years.
- This 5 per cent, compounded over the five years to 2013 where the public finance projections end, would add up to a **28 per cent increase in council tax revenue.**
- Average council tax on a Band D property in England in 2007-08 is £1,321.<sup>1</sup> Increasing this by 28 per cent would mean an **increase of £370 a year for an average Band D bill.** This means that by 2013 an average Band D bill could reach £1,691.

**Matthew Sinclair**, Policy Analyst at the TaxPayers' Alliance, said:

*"These new rises will mean more pain for council taxpayers, particularly retired people who are the ones that suffer most from this unfair tax. With no clear accountability for council tax rises it is too easy for government to blame councils and councils to blame government when big new bills land on people's doormats. Taxpayers need a cut in council tax not inflation-busting increases."*

Please contact Matthew Sinclair on **07771 990 174** for further details.

---

<sup>1</sup> DCLG, "Band D council tax figures 1993-94 to 2007-08"