



COUNCIL POLICY

Rates Relief

Policy Number:	PO060		
Strategic Plan Objective:	5. Responsible Governance and Leadership		
Policy Owner:	Director Corporate & Community Services	Record Number:	16/14034[v11]
Responsible Officer:	Manager Financial Services	Minute Reference:	145/2024
Date Adopted:	12/06/2024	Next Review Date:	November 2028

1. POLICY OBJECTIVES

The objective of this Policy is to ensure that all applications for rate relief are considered in an equal and fair manner in line with the provisions set out under the Local Government Act and this Policy.

2. SCOPE

This policy applies whenever Council receives an application for rate relief by a ratepayer.

3. DEFINITIONS

Refer to Attachment 1.

4. POLICY STATEMENT

Rates constitute a system of taxation for local government purposes (generally based on the value of land) and provide the main revenue stream for Council to deliver services to and infrastructure for the community.

The Local Government Act 1999 (“the Act”) sets out at Chapter 10, Division 5 (Sections 159 to 166) those provisions applicable to the Council granting a rebate of rates to persons or bodies.

Section 159(3) of the Act provides that the Council may grant a rebate of rates under the Act if it is satisfied that it is appropriate to do so.

The Act provides for a mandatory rebate of rates in specified cases and the amount of that mandatory rebate.

The Act also provides that where the Council must grant a rebate of rates under the Act, and the amount of that rebate is fixed by the Act at less than 100%, the Council may increase the amount of the rebate.

Pursuant to Section 166 of the Act, Council may provide a discretionary rebate of rates in the cases set out in that Section.

Rates Relief will only be considered in accordance with this Policy.

5. PROCEDURES

5.1. Rebates

5.1.1. Mandatory Rebates

Council must under Sections 160-165 of the Local Government Act 1999 (as amended) provide mandatory rebates in the following cases.

A Mandatory rebate of 100% is applicable to:

- Land predominantly used for service delivery or administration by a hospital or health centre incorporated under the South Australian Public Health Act 2011
- Land containing a church or other building used for public worship, or land used solely for religious purposes.
- Land being used for the purposes of a public cemetery.
- Land (other than land used as domestic premises) owned by, or under the care, control and management of, the Royal Zoological Society of South Australia Inc.

A Mandatory rebate of 75% is applicable to:

- Land occupied by a government school under a lease or licence and being used for educational purposes.
- Land occupied by a non-government school registered under the Education and Early Childhood Services (Registration and Standards) Act 2011 and being used for educational purposes.
- Land being used by a University or University college to provide accommodation and other forms of support for students on a not-for-profit basis
- Land predominantly used for service delivery or administration by a community service organisation as defined under Sections 161(3) & 161(4) of the Local Government Act 1999 (as amended).
- Land being predominantly used for supported accommodation that consists of accommodation for persons provided by housing associations registered under the South Australian Co-operative and Community Housing Act 1991.

5.1.2. Discretionary Rebates

Council has the power under Section 166 of the Local Government Act 1999 (as amended) to grant discretionary rebates in the following cases.

- The rebate is desirable for the purpose of securing the proper development of the Council area (or part thereof).
- The rebate is desirable for the purpose of assisting or supporting business within the Council area.
- The rebate will conduce to the preservation of buildings or places of historic significance.
- The land being used for educational purposes.

- The land being used for agricultural, horticultural or floricultural exhibitions.
- The land is being used for a hospital or health centre.
- The land is being used to provide facilities or services for children or young persons.
- The land is being used to provide accommodation for the aged or disabled.
- The land is being used for a residential aged care facility that is approved for Commonwealth funding under the Aged Care Act 1997 (Cwlth) or a day therapy centre.
- The land is being used by an organisation which, in the opinion of Council, provides a benefit to the local community.
- The rebate relates to common property or land vested in a community corporation under the Community Titles Act 1996 over which the public has free and unrestricted access and enjoyment.
- The rebate is considered by Council to provide relief against what would otherwise amount to substantial changes in rates payable by a ratepayer due to changes in the basis or structure of the Council's rates, or a change in the basis of valuation, rapid changes in valuation or anomalies in valuations.
- Where the rebate is considered by council to be appropriate to provide relief in order to avoid what would otherwise constitute a liability to pay a rate or charge that is inconsistent with the liabilities that were anticipated by the council in its annual business plan or a liability that is unfair or unreasonable;
- where the rebate is to give effect to a review of a decision of the council under Chapter 13 part 2 (section 270 to 271)
- where the rebate is contemplated under another provision of the Local Government Act 1999

Section 166 (1a) outlines the issues that Council must consider in deciding whether to grant a rebate. All applications for rebates will be considered on their merits.

Applications for a rebate of rates are to be made in writing and are to be accompanied by the appropriate supporting documentation.

5.1.3. Property Valuation Objection

As rates are based on property value, prior to lodging any application for deferment, or postponement the ratepayer should first determine if they consider their valuation to be a fair assessment of their property. **If the valuation is considered to be incorrect, an objection to valuation must be lodged through the State Valuation Office within 60 days after the service of the first rate notice for the current year.**

5.2. POSTPONEMENT OF RATES – Hardship

Council recognises that at various times of the year, and due to personal circumstances, some ratepayers may find themselves in situations that make it difficult to make payment of rates by the relevant due dates.

Council has adopted this Rates Relief Policy to provide relief to ratepayers for whom the payment of ordinary rates on the principal residence would cause hardship.

Where a ratepayer is suffering hardship in paying rates he/she is invited to contact Council's Senior Rates Officer to discuss the matter.

Applications for the relief of rates due to hardship or extenuating circumstances are to be made in writing and accompanied by the appropriate supporting documentation.

All such inquiries are treated confidentially by Council.

5.3. POSTPONEMENT OF RATES – Seniors (Section 182A of Local Government Act)

A ratepayer who holds or is in the process of applying for a State Seniors Card may apply for postponement of the Council rates payable on property they own or are buying if it is their principal place of residence (that is, the place lived in most of the time) and if no other person other than their spouse has an interest as owner of the property.

If there is a current mortgage over the property which was registered prior to 25 January 2007 the applicant is required to have at least 50% equity in the property.

If you have a mortgage that was registered after 25 January 2007 there is no restriction on the level of equity held.

The postponement of rates option does not affect any existing entitlement to a State Seniors Card, and/or Council remission on your Council rates. At least \$500 of the total of the rates bill must be paid, but an application can be made for any amount in excess of \$500 to be postponed.

5.3.1. Interest payable

If a postponement of rates occurs under this section, interest will accrue on the amount postponed at the prescribed interest rate compounded on a monthly basis.

The prescribed interest rate is $P = \frac{CADR + 1\%}{12}$ where:

12

P = Prescribed Interest Rate

CADR = Cash Advance Debenture Rate for the relevant financial year as advised by the Local Government Finance Authority

5.3.2. Penalties

Reference is also made to Sections 182A (8) and 182A (9) of the Local Government Act 1999 (as amended) which outlines that if a person has applied for the benefit of a seniors postponement of rates and entitlement to that postponement ceases to exist, the owner of the land must inform the Council in writing of that fact (unless the liability to the relevant rates has been extinguished).

If a person fails to comply with the above requirement to inform Council of a change in circumstances, that person is guilty of an offence under the Local Government Act 1999 (as amended) with a maximum penalty of \$5,000. Any rates applicable on the grounds that the rebate was no longer applicable become due and payable immediately.

A person must not make a false or misleading statement or representation in an application made for seniors postponement of rates. Maximum penalty \$10,000.

Applications for the postponement of rates under section 182A are to be made on Council's Application for Postponement of Rates for Seniors (SF204) and accompanied by the appropriate supporting documentation.

5.4. REMITTANCE OF FINES AND INTEREST

Council has adopted this policy relating to the remittance of fines and interest raised for late payment of rates and service charges, according to the different circumstances involved, these being:

1. Fines and interest raised due to the delay of Rate Notice delivery via Australia Post:

Where a request is received by Council to remit fines and/or interest due to the delay in Rate Notice delivery Council's policy is that fines and/or interest will only be remitted where it can be demonstrated that the delay was caused by Australia Post.

2. Fines and interest raised for the reason of non-receipt of the rate notice by the ratepayer:

Where a request is received by Council to remit fines and interest for the reason of non-receipt of rates notices, only where it can be demonstrated that the rates notice has been returned to Council as undeliverable, due to an administrative error by Council.

3. Fines and interest raised due to an administrative error by Council.
4. Fines and interest raised on rates and unable to be paid due to illness, death or whereby financial hardship is demonstrated.
5. Fines and Interest raised due to payment having been received but allocated to the incorrect property.

All requests for remittance of fines and/or interest must be made in writing to Council with relevant supporting documentation attached.

The following Council Officers are permitted to authorise remission of fines and interest in accordance with this policy:

- Chief Executive Officer
- Director Corporate and Community Services - up to and including \$500
- Manager Financial Services - up to and including \$250

The CEO has final discretion on the remittance of fines and interest.

6. APPLICATIONS

Council will inform the community of the provisions for rate rebates under the Local Government Act by the inclusion of suitable details in the Annual Business Plan.

Persons or bodies who seek a rebate of rates in accordance with Division 5 of the Act must make written application every four (4) years to the Council pursuant to Section 159(1) of the Act in the manner and form determined by the Council and supplying such information as the Council may reasonably require.

The Council may take into account other matters considered relevant by the Council including, but not limited to, the following:

- a) why there is a need for financial assistance through a rebate;
- b) the level of rebate (percentage and dollar amount) being sought and why it is appropriate;
- c) the extent of financial assistance, if any, being provided to the applicant and/or in respect of the land by Commonwealth or State agencies;
- d) whether the applicant has made/intends to make applications to another Council;
- e) whether, and if so to what extent, the applicant is or will be providing a service within the Council area;
- f) whether the applicant is a public sector body, a private not for profit body or a private for profit body;
- g) whether there are any relevant historical considerations that may be relevant for all or any part of the current Council term;
- h) the desirability of granting a rebate for more than one year where permitted by the Act;
- i) consideration of the full financial consequences of the rebate for the Council;
- j) the time the application is received;
- k) the availability of any community grant to the person or body making the application;
- l) whether the applicant is in receipt of a community grant; and
- m) any other matters, and policies of the Council, which the Council considers relevant.
- n) All persons who or bodies which wish to apply to the Council for a rebate of rates or service charges may do so at any time. Applicants which satisfy the criteria for a mandatory 100% rebate will be granted the rebate at any time.
- o) The Act provides that the Council may grant a rebate of rates or service charges on such conditions as the Council thinks fit.
- p) The Council may, for proper cause, determine that an entitlement to a rebate of rates or service charges under the Act no longer applies.
- q) Where an entitlement to a rebate of rates or service charges ceases or no longer applies during the course of a financial year, the Council is entitled to recover rates, or rates at the increased level (as the case may be), proportionate to the remaining part of the financial year.
- r) It is an offence for a person or body to make a false or misleading statement or representation in an application or to provide false or misleading information or evidence in support of an application made (or purporting to be made) under the Act.
- s) The maximum penalty for this offence is \$5,000.
- t) If a person or body has the benefit of a rebate of rates or service charges and the grounds on which the rebate has been granted cease to exist, the person or body must immediately inform the Council of that fact and (whether or not the Council is so informed) the entitlement to a rebate ceases. If a person or body fails to do so that person or body is guilty of an offence.
- u) The maximum penalty for this offence is \$5,000.
- v) The Council will, in writing, advise an applicant for a rebate of its determination of that application. The advice will state –
- w) if the application has been granted, the amount of the rebate; or
- x) if the application has not been granted, the reasons why.

7. COMPLAINTS AND REVIEW OF DECISION

Complaints in relation to this policy can be directed to the Director Corporate and Community Services and will be managed in accordance with Council’s PO147 Complaints Policy.

A person who or a body which is aggrieved by a determination of the Council in respect of an application for a rebate may seek a review of that decision in accordance with Council’s Internal Review of Council Decisions Policy.

8. REVIEW

This policy will be reviewed every four (4) years and as deemed necessary in consideration of any changes to legislation and relevant standards, codes and guidelines.

9. TRAINING

Council is committed to supporting employees in complying with this policy. Training needs will be reviewed annually, during individual performance reviews and as necessary in consideration of any changes to legislation and relevant standards, codes and guidelines.

10. RECORDS

Records shall be maintained as required by Council’s Records Management Policy (PO063) and relevant legislation.

11. RELATED COUNCIL POLICIES/PROCEDURES AND DOCUMENTS

PO018 Hardship Policy for Residential Customers of Minor and Intermediate Water Retailers

PO048 Management and recovery of Outstanding Debts Policy

R007 Delegations Register

12. REFERENCES AND LEGISLATION

Local Government Act 1999, Chapter 10

13. COUNCIL DELEGATION

Any applicable delegations are available on Councils website via the Delegations register via <https://yorke.sa.gov.au/about-us/forms-plans-and-publications/registers/>

14. VERSION HISTORY

Version No	Issue Date	Description of Change
1	07/04/2003	New Policy
2	08/05/2007	Minor Updates
3	12/10/2010	Minor Updates

PO060 – Rates Relief Policy

Version No	Issue Date	Description of Change
4	14/08/2013	Minor Updates
5	08/10/2014	Update to financial year references and Review details.
6	14/10/2015	Update to financial year references.
7	10/08/2016	Update to financial year references.
8	09/08/2017	Update to financial year references.
9	13/11/2019	Policy Title Update. Removed financial year references. Revised review period, added related council policies and documents and update to references and legislation.
10	13/05/2020	Minor updates.
11	14/06/2024	Minor updates. Removal of COVID-19 provisions.

ATTACHMENT 1: DEFINITIONS

Term/Reference	Definition
Rebates	The reduction in rates in accordance with the rebate provisions of the Local Government Act 1999.
Remission and Remittance	The reduction of the amount of rates payable in accordance with the remission and postponement of payment provision of the Local Government Act 1999.
Senior Postponement	The delay of payment of rates until a future date for Seniors. Subject to interest charges, the annual rates payable are delayed and do not become payable until a future date.
Financial Hardship	A person experiencing hardship generally includes, but is not limited to; suffering through a difficult circumstance, family tragedy, financial misfortune, serious illness, or impacts of natural disaster.