

RATES ADMINISTRATION POLICY

Detail of Policy

Short Title	Rates Administration Policy
Directorate	Customer and Corporate Support
Category	Finance
Date adopted by Council	28 September 2015
Date amended by Council:	
Date ratified by Council:	

COUNCIL POLICY

1. Legislation

Local Government Act 1993 and Local Government Regulations.

2. Purpose and Objectives

- 2.1 Fulfil the statutory requirements of the *Local Government Act 1993* with respect to the levying rates and charges
- 2.2 To provide a decision making framework in the application of the rating provisions of the *Local Government Act 1993* and *Regulations*

3. Definitions

Nil

4. Policy Statement

This policy has been created to address aspects of rating not covered by existing rating policies. This is an overarching document rather than creating policies for each individual process in the rating area.

This document is supplemented by the written procedures held within the rating area and the *Local Government Rating and Revenue Raising Manual*.

4.1 Rates and Charges Levy

Rates, Stormwater Management services and Domestic Waste Management charges will be levied for each rating year in accordance with the the relevant sections of the *Local Government Act, 1993*.

In accordance with Section 62 of the *Valuation of Land Act 1916*, Council will use land values held in the Council's registers as at 1 July of the current rating year, to levy rates and charges for the current rating year.

Rates may be adjusted as a result of valuation changes supplied by the Valuer General for example; as a result of a valuation objection.
Rates may be paid in full or by instalments. Rate and instalment notices will be posted to ratepayers 30 (thirty) days prior to the due date for payment.

4.2 Supplementary rates and charges levies

Council will levy pro-rata Rates and Stormwater Management charges on newly created parcels through the rating year on newly registered subdivisions or consolidations.

Rates and Stormwater Management charges will be applied to new parcel/s, on a pro-rata basis, from the first day of the subsequent rating quarter in which the subdivision or consolidation was registered. The rates for the original parcel/rate assessment(s) will be adjusted accordingly (from the last day of the rating quarter in which the plan was registered).

4.3 Domestic Waste, Green Waste and Recycling

Ratepayers may apply for an additional Domestic Waste Management service. The service includes an additional household, recycling and green waste bin.
Ratepayers may also apply for a separate recycling and/or green waste service as per Council's Fees and Charges.

Upon application, a Domestic Waste Management service may be provided on business rated properties where residential occupancy is permitted (ie a flat above a shop).

Council will levy pro-rata charges on new services supplied during the rating year. The pro-rata charges will be calculated on a weekly basis.

Correspondence detailing the revised instalment schedule will be issued to the ratepayer following a pro-rata Domestic Waste Management service adjustment. New Domestic Waste services will be supplied following the completion of a residential development and charges levied on a pro rata basis.

In accordance with Section 496 of the *Local Government Act, 1993*, Councils must make and levy an annual charge for the provision of Domestic Waste Management services for each parcel of rateable land for which the service is available. Vacant residential land for which the service is available will be subject to a Domestic Waste Management charge.

4.4 Pensioners

Concessions are available for eligible pensioners. Eligible pensioners are defined in the Local Government Regulations.

Council will verify pensioner's eligibility details on Council's records through Centrelink and Veteran's Affairs over the course of the year to ensure that a ratepayer continues to be eligible for a pension rebate on their rate account. Where Council is unable to verify the eligibility of a ratepayer for a rebate on their rate account, Council will advise the ratepayer in writing.

If a person becomes an eligible pensioner after the day on which a rate or charge is made and levied, the person is entitled to a reduction proportionate to the number of full rating quarters remaining after the day on which the person becomes an eligible pensioner. Where a rebate is no longer applicable the rebate on the rate account will be adjusted proportionate to the number of full quarters remaining in the rating year from the date the eligibility ceases.

The name of the applicant on the pension card is to be the same as the ownership record of the property (as per the Land Titles Office) to be eligible for the rebate. In keeping with Council's Pensioner Concession Policy, rate rebates to pensioners who meet the eligibility criteria will be limited to the current rating year and rating year prior to the application.

4.5 Categorisation

The category of a property for rating purposes relates to, among other things, the dominant use of the property as per Sections 514-518 of *the Local Government Act 1993*.

In accordance with Section 520 of *the Local Government Act 1993*, Council will declare the category of newly created parcels. This declaration may be made in a letter or by the rates notice issued following the first levy of rates on a property. The declaration will include avenues available to the ratepayer for a review of a category declaration.

A ratepayer may make application in writing to the Council for a review or a change of the category that applies to their property at any time.

The Revenue Manager will make a recommendation to the Chief Financial Officer for approval before adjusting the rate account.

Council must notify the ratepayer of the decision in writing and the reasons for that decision.

The ratepayer will also be advised that *If you still do not agree with the category given to your property, you may appeal to the Land and Environment Court. You must do this within 30 days of receiving council's review decision. Contact the Land and Environment Court to find out how to lodge an appeal.*

In accordance with Section 524 of *the Local Government Act 1993*, a ratepayer must notify the Council when the use of their property changes. The ratepayer has 30 days to make this notification. Where a ratepayer has successfully applied to have their land re-categorised, rates and charges will be adjusted from the date of the application. Council will not amend the category of a property retrospectively unless correcting an administrative error.

4.6 Mixed Development

The ratepayer may apply to the Valuer General for a Mixed Development Apportionment Factor (MDAF) at any time in accordance with Section 14X of the *Valuation of Land Act 1916*.

To qualify for the receipt of an MDAF, the residential and non-residential components of the property must have their own facilities and access. Generally the test is that if the property shares communal facilities, such as a kitchen, bathroom, etc, then it cannot be classed as mixed development land.

If a MDAF percentage is provided by the Valuer General, the Council will apply the percentage to the rates for the property as per Section 518B of *the Local Government Act 1993*, from the first day of the next rating quarter from which date the MDAF was supplied.

4.7 Aggregation

Council acknowledges that in some cases a minimum rate may apply unfairly and cause hardship to the ratepayer. As per Sections 548A and 531B of *the Local Government Act 1993*, the Council will, upon request, aggregate assessments subject to minimum rates when owned in identical ownership, in the following circumstances:

- Residential units, garages and storerooms in the same strata plan. One unit may be combined with up to two garages and storerooms where the lots are used by the one person or family.
- In a Business strata plan, up to three car spaces and utility lots may be combined with a business unit for rating purposes where the lots are used by the same business.
- Council may consider applications where lots are in adjoining strata plans.

4.8 Exemption from rates

Sections 555 and 556 of the *Local Government Act 1993* and Section 43 of the *Aboriginal Land Rights Act 1983* allow exemptions from rates for certain properties, ie: Crown Land, churches, schools, hospitals, aboriginal land, charities and public institutions and so on.

A ratepayer may make written application to Council for exemption from rates and charges under the above sections of the *Local Government Act, 1993*.

In assessing the application, Council may ask the applicant for supporting and substantiating information including, but not limited to, copies of documents such as:

- Articles of Association
- Memorandum of Association
- Annual reports & financial statements
- Registered charity status
- Australian Tax Office (ATO) status

The ratepayer is expected to pay rate instalment as they fall due during the period of review.

Council may wish to inspect the property before making a decision.

A letter will be issued to the ratepayer advising of the outcome of their application and the reasons for that decision.

The date of effect of exemption will be from the date of application.

Council may conduct a review of non- rateable properties at any time.

4.9 Refunds

Where an over payment of rates has been made Council will investigate the payments made on the rate account to confirm that the payments were meant for that account.

In the case of overpayments or payments made in error, a refund will be made to the payee, providing the refund is appropriate and the payee provides evidence that they made the payment.

A credit amount that results from the adjustment of rates and charges may be refunded to the ratepayer upon request, or held on the account as a credit to be taken up by a future levy.

A ratepayer may pay more than required in order to put their account into credit.

Payments received via BPOINT and BPAY that are unable to be allocated to an appropriate account will be refunded to the payee via the refunding mechanisms of BPOINT and BPAY.

5. ROLES AND RESPONSIBILITIES

The Revenue Manager is responsible for enforcing the policy.

6. AUTHORISED BY

28 September 2015 - Resolution for Item 16.5.

7. EFFECTIVE FROM

28 September 2015.

8. REVIEW DATE

The policy must be reviewed every two years or more frequently if legislative or policy changes occur.

9. RESPONSIBLE UNIT

The Revenue Manager within the Financial Services Unit of Customer and Corporate Support Directorate.

10. THIS POLICY HAS BEEN DEVELOPED IN CONSULTATION WITH

The Chief Financial Officer.

11. ATTACHMENTS

Nil

12. REFERENCES

- Rating and Revenue Raising Manual – Office of Local Government
- Debt Recovery Policy –Willoughby City Council
- Financial Hardship Policy - Rates & Annual Charges – Willoughby City Council
- Deferred Rates Policy – Willoughby City Council
- Pensioner Concession Policy – Willoughby City Council
- Self-Funded Retirees Domestic Waste Service – Willoughby City Council

13. VERSION

1