



TITLE: RATE REBATE POLICY

REFERENCE NUMBER:	DOC/19/86366
RESPONSIBLE OFFICER/ DEPARTMENT:	Corporate Services
APPLICABLE LEGISLATION:	Local Government Act 1999
MOUNT BARKER 2035 – DISTRICT STRATEGIC PLAN:	Governance and Leadership GL: 2.1 Corporate capacity and leadership Demonstrate accountability through clear, relevant and easily accessible policies and corporate reporting
RELATED POLICIES:	<ul style="list-style-type: none">• Rating Policy DOC/19/76752
SUPPORTING PROCEDURES:	Not Applicable
PREVIOUS REVIEW DATES:	17 August 2015
ENDORSED BY COUNCIL:	5 August 2019
MINUTE RESOLUTION NUMBER:	OM20190805.04
NEXT REVIEW DATE:	5 August 2023

1. PURPOSE

The Policy assists in the assessment and determination of mandatory and discretionary rate rebates and in improving consistency in the application of the rate rebate provisions of the Act.

2. SCOPE

- 2.1 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.

- 2.2 The Council has adopted a Policy to assist it in its decision making functions relative to the operation of the rate rebate provisions contained in the Act.
- 2.3 This Policy is intended to provide guidance to the community as to the grounds upon which a person or body is, or may be entitled to receive a rebate of rates and the matters that the Council will take into account in deciding an application for a rebate.
- 2.4 In accordance with the rebate provisions contained in the Act, this Policy sets out the type of use in respect of land which the Council must grant a rebate of rates and the amount that rebate must be, and those types of land use where the Council has a discretion to grant a rebate of rates.

3. DEFINITIONS

In this Policy

3.1 **Act** means the *Local Government Act 1999*

3.2 **Person** includes an individual, corporate body, partnership, association, government body or other entity that has the capacity to be the Occupier and/or Principal Ratepayer of land

3.3 **Ratepayer** has the same meaning as in the Act

4. ROLES & RESPONSIBILITIES

Council:

- to review the recommendations of Community Grants Assessment Committee to determine who will receive discretionary rate rebates.

Chief Financial Officer:

- To ensure the relevant provisions of the Act are applied.

Manager, Revenue, Property & Records:

- To review the Rate Rebate Policy
- To apply the relevant provision of the Act when recommending rebating rates.

5. POLICY STATEMENT

It is the policy of the Mount Barker District Council that a rebate of rates in respect of any rateable land in the Council area will be available only when the applicant satisfies the requirements under the Local Government Act 1999 and, where appropriate, the requirements of this Policy.

6. LOCAL GOVERNMENT ACT 1999

- 6.1 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.

- 6.2 The Act provides for a mandatory rebate of rates in specified cases and the amount of that mandatory rebate (see Clause 7 below)
- 6.3 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.
- 6.4 The Act provides, at Section 166 for the Council to provide a discretionary rebate of rates in the cases set out in that Section.

7 MANDATORY REBATES

- 7.1 Categories of Land with an entitlement to a 100% Mandatory rebate are:
- 7.1.1 Health Services - Section 160 of the Act
Land predominantly used for service delivery or administration by a hospital or health centre incorporated under the *Health Care Act 2008* (formerly the *South Australian Health Commission Act 1976*).
 - 7.1.2 Religious Purposes – Section 162 of the Act
Land containing a church or other building used for public worship or land used solely for religious purposes.
 - 7.1.3 Public Cemeteries – Section 163 of the Act
Land being used for the purposes of a public cemetery.
 - 7.1.4 Royal Zoological Society of SA – Section 164 of the Act
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.
- 7.2 A Mandatory rebate of 75% is applicable to:
- 7.2.1 Land predominantly used for service delivery or administration (or both) by a community services organisation as defined under Sections 161(3) & 161(4) of the Local Government Act 1999 (as amended). It is necessary for a community services organisation to satisfy all of the criteria of Sec 161(3) to be entitled to the mandatory rebate);
 - 7.2.2 Land being predominantly used for supported accommodation that consists of accommodation for persons provided by a housing provider registered under the Community Housing Providers National Law that is incorporated on a not for profit basis for the benefit of the public, other than accommodation provided by such body

- (i) that has as a principal object of the body the provision of housing for members of the body;
 - (ii) that is excluded from the ambit of this paragraph by the Minister by notice published in the Gazette;
- 7.2.3 Land occupied by a government school under a lease or licence and being used for educational purposes;
- 7.2.4 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; and
- 7.2.5 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

8. DISCRETIONARY REBATES – Section 166 of the Local Government act 1999

- 8.1 The Council may grant a rebate of rates up to and including 100% of the relevant rates or services charges in any of the following cases:
 - 8.1.1 to secure the proper development of the Council area (or a part of the area).
 - 8.1.2 to assist or support business within the Council area.
 - 8.1.3 preserve buildings or places of historic significance.
 - 8.1.4 where the land is being used for educational purposes (except where a mandatory exemption applies).
 - 8.1.5 where the land is being used for agricultural, horticultural or floricultural exhibitions.
 - 8.1.6 where the land is being used for a hospital or health centre.
 - 8.1.7 where the land is being used to provide facilities or services for children or young persons.
 - 8.1.8 where the land is being used to provide accommodation for the aged or disabled.
 - 8.1.9 where the land is being used for a residential aged care facility that is approved for Commonwealth funding under the Aged Care Act 1997 (Commonwealth) or a day therapy centre.
 - 8.1.10 where the land is being used by an organisation which, in the opinion of Council, provides a benefit to the local community.
 - 8.1.11 where 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.
 - 8.1.12 where there has been a substantial change in the rates payable by a ratepayer from year to year (for various reasons including a rapid change in value of land) and in order to avoid ratepayers having to pay a rate or charge that is inconsistent with liabilities that were anticipated by a council in its annual business plan or which is otherwise unfair or unreasonable.
 - 8.1.13 where the rebate is to give effect to an internal review (section 270 policy) of a council decision; and

8.1.14 where the rebate is contemplated by another provision of the Act (e.g. section 187B(7) of the Act).

8.2 In respect of cases identified at:-

8.1.1, 8.1.2 or 8.1.11 above, a rebate of rates may be granted for any period between one (1) year, but not exceeding ten (10) years and 8.1.12 a rebate of rates may be granted for a period between one (1) and three (3) years

8.3 The Council has an absolute discretion to grant a rebate of rates or service charges in the above cases and to determine the amount of any such rebate.

8.4 Where a service charge relates to the provision of a service, eg CWMS, Sewer and refuse, and where that service is provided, a rebate of the service charge will not occur.

9. PENALTIES

Reference is made to Sections 159 (7) and 159 (8) of the Local Government Act 1999 (as amended) which outlines that if a person or body has the benefit of a rebate of rates in accordance with this policy and the grounds on which the rebate has been granted cease to exist, the person or body must immediately inform Council of that fact and (whether or not the Council is so informed) the entitlement to a rebate ceases to exist.

If a person or body fails to comply with the above requirement to inform Council of a change in circumstances that lead to the entitlement to the rebate ceasing to exist, that person or body is guilty of an offence under the Local Government Act 1999 (as amended) with a maximum penalty of \$5,000.

10. RATE CAPPING REBATES

10.1 Council is continually improving its rating system to have the most equitable and fairest distribution across the community, while providing relief for those ratepayers who have limited incomes and ability to pay. A Rate Cap is to apply to eligible residential ratepayers' principal place of residence to protect individuals against increased rates brought about by substantially increased property valuations. Council will apply a rate cap to Residential 1, Residential 2 and Primary Production properties affected by the increases in each financial year.

10.2 A rebate of general rates will be granted to the Principal Ratepayer where the amount of any increase in rates is greater than 12.5%. To provide further protection for ratepayers on limited incomes, who hold a State Concession Card and are eligible for the maximum pensioner concession, a lower cap will apply.

- 10.2.1 A rebate will not apply where –
 - 10.2.1.1 any such increase is due in whole or part to an increase in valuation of the land in the assessment because of improvements made to it worth more than \$20,000, or
 - 10.2.1.2 any such increase is in whole or part because the zoning of the land has been changed, or
 - 10.2.1.3 any such increase is due in full or part to the use of the land being different for rating purposes on the date Council declared its general rates for the financial year, than on the date the Council declared its general rates for the previous financial year, or
 - 10.2.1.4 the ownership of the rateable property has changed since the previous financial year, or
 - 10.2.1.5 the land use classification is Commercial, Industrial, ~~or~~ Vacant Land or Other.

11. APPLICATIONS

- 11.1 The Council will inform the community of the provisions for rate rebate under the Local Government Act by the inclusion of suitable details in the Annual Business Plan distributed with the annual rate notice.
- 11.2 Persons or bodies who seek a rebate of rates (and/or service charges) either –
 - 11.2.1 pursuant to Section 159(4) of the Act and Clause 7 of this Policy; or
 - 11.2.2 pursuant to Section 166 of the Act and Clause 8 of this Policy, must make written application to the Council in the manner and form determined by the Council and supplying such information as the Council may reasonably require.
- 11.3 Application forms may be obtained from the Council office or on Council's website.
- 11.4 The Council will take into account, in accordance with Section 166(1a) of the Act, the following matters –
 - 11.4.1 the nature and extent of Council services provided in respect of the land for which the rebate is sought in comparison to similar services provided elsewhere in the Council's area;
 - 11.4.2 the community need that is being met by activities carried out on the land for which the rebate is sought; and

- 11.4.3 the extent to which activities carried out on the land for which the rebate is sought provides assistance or relief to disadvantaged persons.
- 11.5 The Council may take into account other matters considered relevant by the Council including, but not limited to, the following –
 - 11.5.1 why there is a need for financial assistance through a rebate;
 - 11.5.2 the level of rebate (percentage and dollar amount) being sought and why it is appropriate;
 - 11.5.3 the extent of financial assistance, if any, being provided to the applicant and/or in respect of the land by Commonwealth or State agencies;
 - 11.5.4 whether the applicant has made/intends to make applications to another Council;
 - 11.5.5 whether, and if so to what extent, the applicant is or will be providing a service within the Council area;
 - 11.5.6 whether the applicant is a public sector body, a private not for profit body or a private or profit body;
 - 11.5.7 whether there are any relevant historical considerations that may be relevant for all or any part of the current Council term;
 - 11.5.8 the desirability of granting a rebate for more than one year in those circumstances identified at Clause 8 of this policy;
 - 11.5.9 consideration of the full financial consequences of the rebate for the Council;
 - 11.5.10 the time the application is received;
 - 11.5.11 any other matters, and policies of the Council, which the Council considers relevant.
- 11.6 All persons who or bodies which wish to apply to the Council for a rebate of rates must do so on or before 31 October in the year of the application. The Council reserves the right to refuse to consider applications received after that date. However, applicants which satisfy the criteria of a mandatory rebate will be granted the rebate at any time.
- 11.7 The Act provides that the Council may grant a rebate of rates or charges on such conditions as the Council thinks fit.
- 11.8 The Council may, for proper cause, determine that an entitlement to a rebate of rates under the Act no longer applies.

Where an entitlement to a rebate of rates 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.

- 11.9 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.

The maximum penalty for this offence is \$5,000.

- 11.10 If a person or body has the benefit of a rebate of rates 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.

The maximum penalty for this offence is \$5,000.

- 11.11 The Council will, in writing advise an applicant for a rebate of its determination of that application within sixty business days of receiving the application or of receiving all information requested by the Council. The advice will state –

11.11.1 if the application has been granted, the amount of the rebate;
or

11.11.2 if the application has not been granted, the reasons why.

All applications for rebates will be considered on their merits.

Applications for a rebate of rates are to be made on Council's rate rebate application and accompanied by the appropriate supporting documentation.

12. DELEGATION

- 12.1 The Council has delegated its power, pursuant to Section 44 of the Act, to grant applications for mandatory rebates which meet the requirements of the Act.

13. DECISIONS ON DISCRETIONARY REBATES

- 13.1 The Community Grants Assessment Committee will consider recommendations from the Manager, Revenue, Property & Records and will make recommendations to Council.

14. REVIEW

This Policy will be reviewed every four (4) years or the frequency dictated in legislation, or earlier in the event of changes to legislation or related Policies and Procedures or if deemed necessary by the Manager, Revenue, Property & Records

15. ACCESS TO THE POLICY

The Policy is available for public inspection at the Customer Service Centre, at the Local Government Centre, 6 Dutton Road, Mount Barker, South Australia and on the Council's website www.mountbarker.sa.gov.au.

16. FURTHER INFORMATION

For further information on this Policy, please contact:

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