



1.11 Rating Policy

Council Resolution:	2022/09/20/010
Date to take effect:	21/09/2022
Legislative reference:	<i>Northern Territory of Australia Local Government Act 2019 Local Government (General) Regulations 2021 Australian Accounting Standards</i>
Review Date:	September 2023

1. Purpose

This policy sets the approach and principles applied to the rating system within the Coomalie Shire.

2. Principles

Rates are a system of taxation and are not reflective of the services, infrastructure or facilities used by any property owner or resident.

Council is committed to applying the below principles to all matters related to the rating system:

- a) Transparency to the ratepayer. This ensures rates and ratepayer responsibilities are consistent and based on predictable rules that are understandable and acceptable to ratepayers.
- b) Equity to all ratepayers. The rating methodology takes into consideration the different levels of capacity to pay within the local community.
- c) Administrative simplicity. The rating system and methodology utilised should be easy to apply, understand and comply with to minimise avoidance of paying rates. It must also be practical and cost effective to administer.
- d) Flexibility to respond to changes in local economy and individual ratepayer circumstances.

3. Policy Statement

3.1 Methodology of Levying General Rates

- 3.1.1 Pursuant to section 227 of the *Local Government Act 2019* (the *Act*), Council adopts the unimproved capital value method as the basis for determining the assessed value of allotments within the Shire.
- 3.1.2 Differential rates will be applied to various categories of allotments based on zoning and/or location within the Shire.
- 3.1.3 A differential minimum charge to each differential rate will be applied to ensure each allotment at least contributes a set amount.
- 3.1.4 The differential minimum charge may be applied to each separate part or unit of an allotment that are adapted for separate occupation or use.

3.2 Levying of Special Rates

Council may levy a special rate to fund a particular purpose. The following actions will be undertaken for each special rate that may be levied:

- 3.2.1 The beneficiaries of the specified purpose will be identified, and the special rate only levied against those properties or properties in the area. If the entire Shire is identified to benefit, the rate may be levied to all rateable properties.
- 3.2.2 Public consultation will be in accordance with the *Act* prior to the levying of the special rate.
- 3.2.3 The basis of applying a special rate may vary depending on the purpose but must still reflect the principles of rating.
- 3.2.4 Monies raised from the special rate cannot be spent on any other purpose than the original intent of the special rate.

3.3 Service Charges

Council charges properties for the cost of waste disposal services, including the management and operation of the Waste Management Facilities.

- 3.3.1 The charge applied to a property is determined by the level of service provision relevant to the property.

3.4 Interest on Unpaid Rates

- 3.4.1 Council may charge interest on unpaid rates in accordance with Section 245 of the *Act*.
- 3.4.2 The fixed rate of interest will be declared each year as required by the *Act*.

3.5 Rate Concessions

3.5.1 Pensioner and Carer's Concession

- a) The NT Pensioner and Carer's Concession Scheme provides a rebate on annual rates and charges to eligible ratepayers if they reside on the property subject to the claim.
- b) The Department of Territory Families, Housing and Communities controls the scheme.
- c) If an eligible ratepayer has not received a rebate on their rates, the ratepayer should contact the Department of Territory Families, Housing and Communities.

3.5.2 Remission of Interest Accrued on Overdue Rates

- a) Where a ratepayer has accrued small amounts of interest, up to \$30.00, on their accounts, the Chief Executive Officer may reduce or write off the debt on a case-by-case basis.
- b) Ratepayers may request a remission of interest where there is evidence that there were extenuating circumstances resulting in payment of rates being overdue.
- c) All applications need to be made in writing to the Chief Executive Officer with supporting evidence for consideration.
- d) All instances of remission of interest will be reported to Council by the Chief Executive Officer.

3.5.3 Financial Hardship

- a) Council may grant a rate concession upon application for the balance of a financial year for proven financial hardship.
- b) The Chief Executive Officer may approve financial hardship arrangements and/or deferments to alleviate the pressures of sourcing independent financial counsellors.
- c) Financial hardship applications must be made in writing, accompanied by supporting evidence and a reasonable payment plan request.
- d) If the payment plan is not honoured, the hardship application becomes void and overdue interest and any legal charges will begin to be applied to the ratepayer's account after written notice to the ratepayer.

3.5.4 Public Benefit Concessions

- a) Council may grant a rate concession if it is satisfied that the concession will advance one or more of the purposes outlined in Section 250 of the Act.
- b) Any application for a rate concession requires a written submission outlining how it satisfies the condition of 3.5.4a) to be presented to Council for consideration.

3.5.5 Waiving of Rates, Charges or Legal Fees

- a) A rate concession can be a waiver in whole or part of rates or a component of rates.
- b) Any waiver of rates, charges or legal fees for the current financial year shall be determined by Council. All applications are to be submitted in writing.
- c) Any waiver granted is a one-off waiver in response to circumstances presented at the time.

3.6 Payment Plans

- 3.6.1 Council delegates to the Chief Executive Officer the ability to negotiate alternative payment arrangements for unpaid rates on a case-by-case basis.
- 3.6.2 Payment plans approved by the Chief Executive Officer should have the effect of removing the debt by no later than the end of the current financial year.
- 3.6.3 The Chief Executive Officer may negotiate longer payment terms (up to a maximum of two (2) years) with ratepayers, if in the CEO's estimation, payment would cause undue hardship.
- 3.6.4 Unless otherwise negotiated with the Chief Executive Officer, all Payment Plans negotiated and entered into will be by Direct Debit schedule that will be set up and maintained by the Council's Rates Officer.
- 3.6.5 Entering into a Payment Plan does not preclude Council from taking further action to recover unpaid rates and charges as necessary.

3.7 Recovery of Rates

- 3.7.1 Council may take action to recover unpaid rates and charges in accordance with Part 11.9 of the *Local Government Act 2019*.
- 3.7.2 Council recognises the risk of outstanding rates and charges and will take appropriate action to mitigate long term financial risk regardless of payment agreements in place.

4. Associated Documents

- 4.1 Coomalie Community Government Council Annual Declaration of Rates and Charges

DOCUMENT HISTORY		
1.11 Rating Policy		
Date Adopted:		Resolution of Council 03/03/01 – That letters of demand be sent to all overdue accounts exceeding 30 days
		Resolution of Council 19/03/05 – That Council adopt the Rates Revenue Policy as presented
		Council Resolution 22/06/2010/019
Amended:	16/07/2013	V1.1 Resolution 16/07/2013/007 Changes to Annual Garbage charges and review timeframe.
Amended:	03/02/2015	V1.2 Amend Initial Recovery Action page 5 Amend reduction of interest and small balance write off page 4 Amend procedure page 6

Amended:	21/07/2020	21/07/2020/018
Amended:	22/02/2022	V2.1 Resolution 2022/03/15/007 Policy renamed from Rates and Charges Policy to Rating Policy Policy updated to be in line with <i>Local Government Act 2019</i> Include relevant rate concessions Remove procedural sections.
Amended:	20/09/2022	V2.2 Resolution 2022/09/20/010 Policy amendment regarding payment plans and rate recovery.