

Rating Policy



Policy

Rating Policy

Classification	Council Policy
Responsible Officer Relevant	Group Manager Corporate Services
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1. Introduction

- 1.1. Section 123 of the *Local Government Act 1999* requires Council to have a rating policy that which is both prepared and adopted as part of Annual Business Plan each financial year in conjunction with the declaration of rates.
- 1.2. This policy sets out the Town of Walkerville's terms of reference and mechanisms for setting and collecting rates from its community in order to meet the requirements of section 123 of the *Local Government Act 1999*.

2. Scope

- 2.1. This policy is limited to the requirements of the *Local Government Act 1999* (SA) but is applicable to all rateable properties within the Township.

3. Definition

Act	Means to the <i>Local Government Act 1999</i> (SA).
Capital value	Refers to the valuation methodology used in determining the value of land as defined in the <i>Valuation of Land Act 1971</i> (SA).
Differential Rate	Variations within the community's capacity to pay Council rates based on the use of the property.
General Rate	Refers to the rate in the dollar that applies to properties in the calculation of the general rate payable by way of Council Rates.
Minimum rate	Refers to the minimum rate levied against the whole of an allotment.
Postponed rates	Refers to any Rates postponed under Section 182 or 182A of the Act
Rating	Refers to the overall process of raising revenue by way of levying rates and charges.
Rebates	Refers to an amount that a Rate may be reduced in accordance with Chapter 10, Division 5 of the Act.
Remissions	Refers to any reduction in amount payable granted in accordance with Section 182 of the Act.
Residential rate cap rebate	Refers to the rate cap applied to properties with a residential land use, subject to specific criteria which is applied under the provisions of Section 153(3) of the Act.

4. Policy Statement

4.1. Policy Objectives

- 4.1.1. Chapter 10 of the *Local Government Act 1999* outlines Council's

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powers to raise Rates. The Act provides the framework within which Council must operate, but also leaves room for Council's to determine and apply a range of policy positions.

- 4.1.2. This document includes reference to compulsory features of the rating system, as well as the policy positions that Council has determined to impose and administer the collection of Rates.
- 4.1.3. All land within a Council area, except for land specifically exempt (e.g. Crown Land, Council occupied land and a few other limited categories) is rateable.
- 4.1.4. For the avoidance of doubt, Rates are not classified as fees for services. They constitute a system of taxation for Local Government purposes as defined by the Act.
- 4.1.5. In addition to rates, Council also raises some revenue through Fees & Charges.

5. Valuation of Land

- 5.1. Council has determined to use capital value as the basis for valuing land within the Township. Council considers that this method provides the fairest method of distributing the rate burden across all ratepayers, as property value is representative of the property owners' wealth.
- 5.2. Council has chosen to adopt the valuations made by the Valuer-General as provided to the Council each year

6. Objection to Valuation

- 6.1. Any ratepayer dissatisfied with the valuation applied by the Valuer-General can raise an objection to the valuation. Information pertaining to the relevant dispute mechanism are provided on individual rate notices.
- 6.2. It should be noted that:
 - 6.2.1. The Council has no role in this dispute resolution process; and
 - 6.2.2. The lodgement of an objection does not change the due date for the payment of rates.
- 6.3. Where a person (including a Council) is dissatisfied with a decision made by the Valuer-General, they may seek a review of the decision by SACAT www.sacat.sa.gov.au.

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7. Components of Rates

7.1 A Rate in the Dollar

- 7.1.1 The largest component of Rates is the component that is calculated by reference to the value of land. Council will officially “declare” the Rate in the dollar before 31 August of each year. Council can impose Rates that differ (i.e. higher or lower) based on the locality and/or use of the land (residential, commercial, primary production, industrial, vacant, etc.).
- 7.1.2 To ensure an equitable distribution of the Rate burden and to account for the variations within the community’s capacity to pay, Council will continue to apply differential rates based on use of the property.
- 7.1.3 For the purposes of sections 156 and 167 of the Act, the following categories of land use(s) are declared as permissible differentiating factors:
- (a) Residential comprising the use of land for a detached dwelling, group dwelling, multiple dwelling, residential flat building, row dwelling or semi-detached dwelling within the meaning of the Development Regulations;
 - (b) Commercial—Shop comprising the use of land for a shop within the meaning of the Development Regulations;
 - (c) Commercial—Office comprising the use of land for an office within the meaning of the Development Regulations;
 - (d) Commercial—Other comprising any other commercial use of land not referred to in the categories specified in paragraph (b) or (c);
 - (e) Industry—Light comprising the use of land for a light industry within the meaning of the Development Regulations;
 - (f) Industry—Other comprising any other industrial use of land not referred to in the category specified in paragraph (e);
 - (g) Primary Production comprising—
 - i. farming within the meaning of the Development Regulations; and
 - ii. horticulture within the meaning of the Development Regulations; and
 - iii. the use of land for horse keeping or intensive animal keeping within the meaning of the Development Regulations; and
 - iv. in respect of a dairy situated on a farm—the use of land for a dairy within the meaning of the Development Regulations; and
 - v. commercial forestry;
 - (h) Vacant land comprising the non-use of vacant land;
 - (i) Other comprising any other use of land not referred to in a previous category.

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8. Differential General Rates

- 8.1. Land use is a factor to levy differential rates. If a ratepayer believes that a particular property has been wrongly classified by the Council as to its land use, then the ratepayer may object to that land use in writing to the Council within 60 days of being notified.
- 8.2. The objection must set out the basis for the objection and details of the land use that, in the opinion of the ratepayer, should be attributed to that property. Council may then decide the objection as it sees fit and notify the ratepayer.
- 8.3. A ratepayer also has the right to appeal against the Council's decision to the Land and Valuation Court.

9. Minimum Rate

9.1 Minimum rate

- 9.1.1 Pursuant to section 158 of the Act, Council imposes a minimum rate, where it considers it appropriate, that all rateable properties make a base level contribution to the cost of administering the Council's activities and creating and maintaining the physical infrastructure that supports each property.
- 9.1.2 The minimum rate is levied against the whole of an allotment (including land under separate lease or licence) and only one (1) minimum rate is levied against two (2) or more pieces of adjoining land owned and occupied by the same ratepayer.
- 9.1.3 Section 158 (2) of the Act provides direction on which properties will be exempt from the minimum Rate. No more than 35% of the total number of properties in the Township subject to the separate assessment of Rates may be affected by the minimum rate.
- 9.1.4 Council will assess and determine the maximum percentage of properties on minimum Rate as part of the Annual Business Plan process, and will report on that maximum percentage in the Annual Business Plan.

10. Regional Landscape Levy

Previously known as the NRM Levy, Council is required under the *Landscape South Australia Act 2019* (SA) to make a specified contribution to the Green Adelaide Board.

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It does so by imposing a separate Rate charges against all rateable properties. This separate Rate is effectively a State Government tax that Councils are required to collect, and return to a State Government agency.

11. Help with Rates

11.1. Concessions

11.1.1 From 1 July 2015, the State Government funded concessions on Council rates. These concessions were formerly available to the holders of pensioner concession cards, veterans, low-income earners, unemployed, students, and self-funded retirees. These concessions were all abolished by the State Government with effect from 30 June 2015. From 1 July 2015, the State Government has elected to replace these concessions with a single “cost-of-living payment” provided directly to those entitled. This payment may be used for any purpose, including offsetting Council rates. Note that not all former recipients of rates concessions will be entitled to the new payment.

11.2. Remission of Rates

11.2.1 The Council can partially or wholly remit (waive) Rates on the basis of hardship. Ratepayers experiencing financial hardship can contact the Council’s Rates Officer to discuss the matter. Such inquiries are treated confidentially, and any application will be considered on its merits. While arrangements for extended payments of rates are negotiable, remission of rates in whole, or in part, is rarely approved. Access to the relevant hardship application form can be obtained from Council’s website.

11.3. Postponement of Rates for Seniors

11.3.1 Ratepayers who hold a State Seniors Card (or who are eligible to hold a State Seniors Card and have applied for one) are able to apply to Council to postpone payment of Rates on their principal place of residence. Postponed Rates remain as a charge on the land and are not required to be repaid until the property is sold or disposed of.

Further information regarding the postponement of rates and an application form are available from the Council’s website:

http://www.walkerville.sa.gov.au/webdata/resources/files/Postponement_of_Rates_Seniors_Information.pdf

http://www.walkerville.sa.gov.au/webdata/resources/files/Postponement_of_Rates_Seniors_Application_Form.pdf

11.4. Special Arrangements

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- 11.4.1. Ratepayers who are experiencing difficulty meeting the due dates are encouraged to contact the rates officer to discuss a payment arrangement. Regular payments are required to be made towards the balance and the current year's rates are required to be paid prior to the end of the financial year. If rates are in arrears and the arrangement is not adhered to the account will be escalated as per Council's late payment policy. Fines and interest are still applied to balances in arrears under payment arrangements, and are payable prior to the end of the financial year.

12. Rebate of Rates

Pursuant to section 159 of the Act, false claims of eligibility for rebates and/or failing to notify the Council when eligibility no longer applies will result in the imposition of fines.

12.1 Mandatory rebates

Councils are required to rebate (discount) the rates payable on some land. A 100% rebate must be applied to land used for:

- health services;
- religious purposes;
- public cemeteries; and
- Royal Zoological Society of South Australia.

A mandatory rebate of at least 75% (or more, at the Council's discretion) must be applied to land used by:

- community service organisations; and
- schools and universities.

12.2 Discretionary Rebates

In addition, Council has the discretion to rebate any percentage of Rates for a number of other purposes, such as:

- securing proper development of an area;
- assisting or supporting a business;
- preservation of historically significant places;
- facilities or services for children or young persons; or
- accommodation for the aged or persons with disability; or
- other purposes.

Persons or bodies who seek a discretionary rebate will be required to submit an application to the Council and provide to the Council such information as stipulated on the application form as well as any other subsequent information that Council may reasonably request.

Each rebate granted either A) reduces Council's revenue (and hence its capacity to provide services), or B) increases the amount that must be collected from other

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ratepayers. Decisions on these applications must be carefully considered and upon receipt of an application for a discretionary rebate, Council will take into account:

- why there is a need for financial assistance through a rebate;
- the level of rebate being sought;
- the extent of financial assistance, if any, being provided in respect of the land by Commonwealth or State agencies;
- whether, and if so to what extent, a ratepayer is providing a service within the Council area;
- whether the ratepayer is a public sector body, a private not for profit body or a private or profit body;
- the nature and extent of Council services provided in respect of the land, in comparison to services provided elsewhere in the Council's area;
- the community need, if any, that is being met by activities carried out on the land;
- the extent to which activities at the land provide assistance or relief to disadvantaged persons;
- the desirability of granting a rebate for more than one year;
- consideration of the full financial consequences of the rebate for the Council;
- the time the application is received;
- whether you may be eligible for a Council community grant;
- any other matters and policies of the Council, which the Council considers relevant.

After considering these matters, Council may grant a rebate subject to specific conditions or refuse to grant any rebate of rates.

Council may grant a Discretionary Rebate where two non-contiguous titles form a single residential. In those circumstances, Council may grant a rebate subject to further conditions. For example, in consideration for the grant of such a rebate and to avoid two non-contiguous titles from being sold independently, an applicant may be required to grant Council a caveatable interest over the relevant title (or titles). Any such conditions will be at the discretion of Council.

13. Deceased Estates

13.1 Council will remit fines and interest on deceased estates for a period of 12 months from the date of death recorded on the death certificate except in the circumstances where a property is held jointly with a person(s) or body.

13.2 Appropriate documentation must be provided to Council as evidence of authority to act on behalf of the Estate. Documentation needs be supplied prior to discussion of the account or any remission of fines and interest.

14. Payment of Rates

14.1. Rates are declared annually, and may be paid in one lump sum, or in quarterly installments that fall in four equal or approximately equal installments payable in the months of September, December, March and June of the financial year for which the rates are declared. Council will determine the exact date that rates fall due, no later than 31 August of each year. Various options for paying rates will be clearly indicated on the rates notice. Ratepayers who have (or are likely to have) difficulty meeting these payments, should contact the

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Council's Rates Officer to discuss alternative payment arrangements. Such inquiries are treated confidentially.

14.2. Rates can be paid in the following ways:

- BPay Service;
- Telephone 1300 276 468 using MasterCard or Visa Card;
- Council's website using MasterCard or Visa Card;
- in person at Council offices;
- cheque, money order, cash, EFTPOS, MasterCard or Visa Card facilities are available for payments (American Express and Diners Club cards are not acceptable);
- post addressed to the Town of Walkerville, PO Box 55, WALKERVILLE SA 5081;
- Australia Post.

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15. Late Payment

- 15.1. Council will impose a penalty of a 2% fine on any late payment for rates in accordance with section 181(8) of the Act.
- 15.2. A payment that continues to be late is then charged an interest rate for each month it continues to be in arrears, including the amount of any previous unpaid fine and including interest from any previous month.
- 15.3. Ratepayers who do not pay rates by the due date will receive a reminder notice within six business days after the due date for payment. Ratepayers can pay the rates within five business days from the date of the reminder notice without incurring a fine.
- 15.4. Should rates remain unpaid after the reminder notice period has expired, Council will issue the final notice of overdue rates with late payment fines. If the rates remain unpaid for two quarters, debt collection will commence. The debt collection agency will charge collection fees that are recoverable from the ratepayer.
- 15.5. When Council receives a partial payment of overdue rates, the Council must apply the money as follows:
 - firstly – in payment of any costs awarded to, or recoverable by, the Council in any court proceedings undertaken by the Council for the recovery of rates
 - secondly – in satisfaction of any liability for interest
 - thirdly – in payment of any fines imposed;
 - fourthly – in satisfaction of liabilities for rates in the order in which those liabilities arose.

16. Fine Waiver

- 16.1. Council is prepared to waive fines for late payment of rates for a limited range of circumstances, including:
 - Financial difficulties due to unemployment, sickness or death of the principal income earner
 - Accidents, sudden hospitalisation or serious illness
 - Financial hardship

Fines and interest will only be remitted once the arrears have been paid in full
- 16.2. The following reasons are considered as not acceptable:
 - Loss of cheques for payment of rates in the post;
 - Late remittances for payments made by Financial Institutions on the clients behalf;
 - Absenteeism from the area due to business or pleasure purposes;
 - Intentional late payment as an objection for alleged non-receipt of expected services;
 - Simple oversight and no other explanation given;
 - Non receipt of rate notices as a result of change in postal address and not communicated in writing to Council Administration.

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16.3. Fines may be waived by Administration as per Council delegation as restricted to:

Request	Frequency	Fine	Accounts Officer	Group Manager Corporate Services	CEO
In writing	Twice in last 24 Months	<= \$50	Yes		
In writing	> Twice in last 24 Months	>\$50 <= \$100		Yes	
In writing	> Twice in last 24 Months	>\$100 <= \$500			Yes

Any fine waiver requests must be received in writing and will be recorded against the respective assessment file in Councils record management system.

17. Sale of Land for Non-Payment of Rates

Council may sell any property where the rates have been in arrears for three years or more, in accordance with the provisions of the *Local Government Act 1999*. Council is required to notify the owner of the land of its intention to sell the land, provide the owner with details of the outstanding amounts, and advise the owner of its intention to sell the land if payment of the outstanding amount is not received within one month.

18. Changes to the Assessment Record

All Changes made to the postal address or name of a ratepayer or owner are required to be submitted to Council in writing. Only the registered owner or authorised person can enquire or make changes to the assessment record.

Written authorisation is required for redirection of rate notices and correspondence to third party property management team.

19. Contacting the Council Rates Officer

For further information, queries, or to lodge an application for rate postponement or remission, contact should be made with the Council's Rates Officer on:

Phone: +61 8 8342 7100

Fax: +61 8 8269 7820

E-mail: walkerville@walkerville.sa.gov.au

Post: PO Box 55, Walkerville 5081

In person at 66 Walkerville Terrace, Gilberton SA 5081

20. Availability of Policy

20.1. This Policy will be available for inspection at Council's principal office during ordinary business hours and on Council's website www.walkerville.sa.gov.au

20.2. Copies will also be provided to interested members of the community upon request and payment of associated fees in accordance with Council's schedule of fees and charges.

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21. Review

- 21.1. This policy will be reviewed every year or otherwise as required.
- 21.2. Any queries or questions regarding this Policy should be directed to the Group Manager Corporate Services or by emailing walkerville@walkerville.sa.gov.au
- 21.3. Council may deviate from this policy by way of Council resolution
- 21.4. Any complaints regarding a decision made in accordance with this policy may be directed to Council or to the Chief Executive Officer in accordance with section 270 of the *Local Government Act 1999*. The complaint will be considered under the Internal Review of Council's Decision Policy.