

Rate Relief

COUNCIL POLICY NO. 034

1. POLICY OBJECTIVE

To outline options for Council to assist ratepayers who are experiencing general and financial hardship make payments of rates and charges raised by Council.

2. SCOPE

This Policy applies to ratepayers who have an outstanding rate or charge account with Council and that ratepayer is experiencing general or financial hardship.

The Policy allows Council to consider an application (in writing) for deferral or waiver for all or part of the rate or charge levied.

3. REFERENCES

Local Government Act 1989

4. POLICY

Council will give consideration to assisting a ratepayer experiencing general or financial hardship in the following manner:

- Deferred Payment of rate or charge
- Waiver or all or part of rate or charge.

Applications for consideration of assistance must be received by Council in writing.

Deferred Payment [Refer s170 *Local Government Act 1989*]

The intent of providing a deferral for payment of rates will be to assist a ratepayer who owns and occupies a single rateable property and who can demonstrate, via a Certified Statement of Financial Position, that payment of rates will cause hardship.

Council will consider an application for a deferred payment for such period as it thinks fit and if granted, will be based on the following conditions:

- That the ratepayer pays interest on the amount affected by the deferral at the interest rate adopted by Council for the rating year.
- The deferral ceases and the deferred rates and accrued interest are immediately payable if the ratepayer ceases to own or occupy the property on which the rates are imposed.
- The deferral ceases if Council, in its discretion, revokes the deferral. In such cases, Council will notify the ratepayer in writing and request full payment of the deferred rates and accrued interest within 30 days.
- The deferral will be reviewed each year within one month of the issue of the annual rate notice.
The granting of a deferral for payment of rates does not apply to the garbage charge nor will it alter the due date for payment of rates. An increase in the valuation of a property and a subsequent increase in rates cannot be considered grounds for a deferred payment of rates.

Waiver of Rates and Charges [Refer s171 *Local Government Act 1989*]

The intent of providing a waiver or partial waiver of rates and charges (including interest) will be to assist a ratepayer, who is the owner/occupier of a single rateable property that is used exclusively for residential purposes, to overcome immediate and significant financial difficulties.

Council will consider an application for a waiver or partial waiver of rates and charges (including interest) where such difficulties can be demonstrated and if granted, the waiver or partial waiver will apply only for the rating year in which the application was made.

An increase in rates by more than 50% that is caused by the revaluation of an owner occupied single rateable residential property may also be considered as grounds for a partial waiver of rates if it can be demonstrated that payment of such increase would cause significant financial difficulties. Applications for waiver cannot be considered if rates increases are caused by valuation increases where improvements or additions to the land have occurred.

Ratepayers that apply for a waiver or partial waiver must be:

- eligible for a rates concession under the *State Concessions Act 1983*
- the owner and occupier of a single rateable property that is used exclusively for residential purposes
- able to provide a Certified Statement of Financial Position
- able to provide documented support for a waiver from a welfare agency, financial counsellor or government agency
- able to provide a Financial Plan to ensure future rates and charges and other household payments can be made.

Waiver of Rates and Charges [Refer s171A *Local Government Act 1989*]

Financial Hardship

Under Section 171A of the Act a person suffering financial hardship may make application to Council for a waiver of the whole or part of any rate, charge or interest.

Where a ratepayer is unable to make rate payments and the charging of interest would cause undue financial hardship, an application under section 171A will be considered subject to the following conditions:

1. This assistance will only be considered –
 - a. for a property used for residential purposes and is the sole or principal place of residence of the applicant
 - b. for land classified as farm land and is the sole or principal place of residence of the applicant
 - c. for land classified as commercial/industrial and is owned and operated by the applicant.
2. The applicant is able to provide a –
 - a. Certified Statement of Financial Position signed by a qualified accountant or financial counsellor.
 - b. Financial Plan to ensure future rates and charges can be paid.
3. That an application will only apply for the current rating financial year after which a review will be required.
Policy

5. RESPONSIBILITY

Council will review the Rate Relief Policy within twelve months after a General Election of the Council.

At the time of review, this policy was compliant with the *Victorian Charter of Human Rights and Responsibilities Act 2006*.

6. FURTHER INFORMATION

Members of the public may inspect all Council policies at Gannawarra Shire Council's Kerang and Cohuna offices or online at www.gannawarra.vic.gov.au.

Any enquiries in relation to this policy should be directed to the Director Corporate Services on (03) 5450 9333.

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