



## AF20 – RATING ADMINISTRATION POLICY

**PROCEDURE: N/A**

**DELEGATION: N/A**

### OBJECTIVE

The objective of this policy is to clearly set out guidelines for the calculation of rate increases, determination of non-rateable land, various methods for the payment of rates, write off of minor outstanding payments and associated rating procedures applicable within the Shire of Derby/West Kimberley.

### POLICY

#### Calculation of Rates and Charges

Rates are to be raised in accordance with the *Local Government Act 1995*, calculated by the rate in the dollar set by Council for each financial year.

Any applications for objections or disputes must be received within 45 days of the issue of the original rates notice to be considered by Council.

#### Determining Non Rateable Land

Non rateable land is defined in accordance with Section 6.26 of the *Local Government Act 1995*. The Chief Executive Officer is to determine the validity of claims for non-rateable land.

When determining application in accordance with Section 6.26 (2) (g) of the *Local Government Act 1995* (“land used exclusively for charitable purposes”) the organisation is to provide evidence that the property is used for a charitable purpose.

When the Chief Executive Officer has determined land to be non-rateable, details of the organisation, the property and reasons for such determination are to be reported to Council on an information basis through the Information Bulletin.

Any determinations made in accordance with Section 6.26 are to be reviewed every two years where practicable and the list be submitted to Council on an information basis through the Information Bulletin.

#### Instalment Options for Payment of Rates and Charges

Ratepayers may choose to pay rates and charges using one of Council’s 3 (three) instalment options.

- Instalment Option 1 – one payment covering all rates and charges, including any arrears that may apply. The discount as set by Council each financial year is to be applied to this option for full and early payment of rates.
- Instalment Option 2 – two payments covering all rates and charges. An instalment administration fee is charged per instalment as well as instalment interest.



- Instalment Option 3 – 4 payments covering all rates and charges. An instalment administration fee is charged per instalment as well as instalment interest.

Any arrears outstanding from previous financial years must be paid in addition to the first instalment to be eligible for the instalment option.

Instalment interest accrues at a rate set in the budget each year, on any late instalment payments. If an instalment remains unpaid 14 (fourteen) days after the issue of the Instalment Reminder notice, a letter will be sent advising of impending legal action if the instalment is not paid.

Early Payment – Should a ratepayer choose to undertake instalments and then clear their account before the original due date, then the administration and interest costs will be reversed.

Council sets the due dates for instalments in the budget each financial year. The *Local Government Act 1995* states that the due dates for instalments must be at least 2 months apart.

After 14 (fourteen) days from the issue of the original rate notice, ratepayers forfeit the right to undertake the instalment option provided.

### **Alternative Payment Arrangements**

An administration fee as per the schedule of fees and charges is to be applied and payable with the first instalment.

In order to be considered for an alternative arrangement, the following is required:

- Ratepayer must prove financial hardship.
- An arrangement must be entered into on the appropriate form.
- All rates and charges are to be cleared by the 30th June of the applicable financial year.

Should an alternative instalment payment not be made by the date specified in the agreement between Council and the ratepayer, Council proceed with recovery action on the balance of the rate account inclusive of any overdue alternative instalment.

### Raising of Minor Penalties

Penalty charges are calculated on a daily basis and minor delays can occur where a ratepayer enquires on an outstanding account and posts payment resulting in a few days penalty accrued prior to arrival of payment.

Late payment penalties shall not be raised until the amount exceeds \$5.00. Where, in the opinion of the Chief Executive Officer, a ratepayer is clearly aware that penalty exists but refuses to pay the cost, the penalty will be raised.

Penalties will be applied to outstanding assessments for the previous month following the end of month balancing procedures.



<b>Relevant Legislation:</b>	Local Government Act 1995, Part 6, Div. 6
<b>Related Documents:</b>	
<b>Related Local Law:</b>	
<b>Related Policies:</b>	
<b>Last Reviewed:</b>	27.08.2009
<b>Next Review Date:</b>	
<b>Adopted:</b>	29.07.1998

