



Policy Name	General Rates, Special Rates and Concessions	
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Responsible Officer:	Chief Executive Officer	
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1. PURPOSE

The purpose of this policy is to set out a consistent, transparent and impartial process for the Council to manage declared rates and charges including concessions, remission of interest and waivers.

2. SCOPE

This policy applies to ratepayers, the Council, the Chief Executive Officer and other Council staff.

3. DEFINITIONS

In the context of this policy the following definitions apply:

Interest on Unpaid Rates and Charges means an extra amount is owed to the Council if property rates and charges are overdue.

Rates are a tax on the land that provides income for Council. Rates are charged to ratepayers based on the Unimproved Capital Value (UCV) of their properties.

Concession means that the Council waives some or all of the requirement to pay rates and charges. It can also mean the Council postpones a ratepayer's obligation to pay some or all of the rates and charges.

Relevant Interest Rate means the percentage interest that the Council uses if rates and charges are overdue. The relevant interest rate is set annual by Council in the Rates Declaration.

Remission of Interest means that the Council waives some or all of the interest on unpaid rates and charges owned to the Council.

Special rates are a tax on rateable land that is to be collected from a defined area and used for a defined purpose.



4. POLICY STATEMENT

Rating Principles

Council rates are a form of property tax levied by local government as a key source of funding for the many mandatory and discretionary services provided by Council. Rates are administered in line with the *Local Government Act 2019*. This Policy sets out how Council sets and collects rates from its community in line with the following principles:

- Council's rates concessions provisions will reflect the best interests of the whole community and be compassionate, transparent, accessible, impartial, and consistently applied.
- The rates concession process will be accessible for a range of different rate payers.
- The rating system will be easy to apply, understand and comply with.
- Confidentiality will apply, with all information provided treated as strictly confidential. All information pertaining to ratepayers will be stored securely.

Setting Rates and Charges

General rates, special rates and Council service charges are set in accordance with applicable legislation.

Exempt land, conditionally rateable land, and land rate exemption for public benevolent institutions, are subject to the application of legislation.

Rates and charges will be reviewed each financial year as part of the budgetary process. In setting rates and charges the Council will consider the Consumer Price Index (CPI), Local Government Cost Indexing (LGCI) provided by the Local Government Association of the NT (LGANT), any increase in costs to Council's operations and the financial pressures affecting ratepayers.

Annual rating will be based on land valuation, calculated as a proportion of the assessed Unimproved Capital Value of each allotment to provide an overall approved level of revenue.

Levying of Special Rates

Council may decide to levy a special rate to fund a particular purpose. A special rate must be:

- Based on the rating principles
- Only be levied against those properties in the area that is the beneficiary of the special rate.
- The subject of consultation with opportunities for feedback by those ratepayers affected.
- Spent in accordance with the purpose for which the special rate was levied.

Notice of Rates and Charges

In accordance with the requirements of the *Local Government Act 2019*, Council will issue notices of rates and charges at least (28) twenty-eight days prior to the due date, stated in the notice, for payment.

The notice of rates and charges will contain:

- The name of the ratepayer to whom the notice is addressed.
- The number and description of the allotment to which the notice relates.
- Particulars of the amount payable (including any interest and penalties accrued or imposed up to the date of the notice).
- The basis of calculations of the rates (including, where relevant, the valuation).



- A description of the ways to make payment.
- A short statement of the consequences of a failure to pay by the due date.

Council will issue reminder correspondence to a ratepayer if there is an overdue amount to be addressed.

Payment of Rates and Charges

Payments for rates and charges are due in full by the due date, unless a payment plan has been approved by Council resolution. The exact date that rates and charges fall due, and the various options for making payment, are included on the notice of rates and charges.

Payment Plans

Where a ratepayer is experiencing financial hardship and anticipates difficulty in paying the next rates and charges notice, Council staff are to work with the ratepayer to develop a proposed payment plan for Council's consideration and approval by resolution. These arrangements will be treated confidentially.

Generally, an application for a payment plan is to be submitted in writing by the ratepayer, or the ratepayer's representative, explaining the financial hardship or anticipated difficulty. For payment plans where the annual rates and charges are not paid in full by the financial year end, in which the annual rates and charges relate see **Deferment of Rates and Charges** title below and note section 251 of the *Local Government Act 2019* rates deferment limitation.

Payment arrangements can attract penalty interest on overdue rates and charges, which will continue to accrue unless a rates and charges concession has been granted to the ratepayer.

Concessions

In accordance with section 247 of the *Local Government Act 2019* a rates or charges concession can be by:

- Waiver in whole or part; and/or
- A deferment in whole or part of an obligation to pay.

Under section 251 of the *Local Government Act 2019*, a rate concession cannot exceed the term of the Council.

Waiver of Rates and Charges

To assist a ratepayer experiencing financial hardship; to correct rate anomalies; or for a public benefit [see **Public Benefit**] the Council may by resolution grant a concession by waiving the whole or part of rates and/or charges imposed. Applications for a waiver of rates and charges are to be in writing and include how the applicant satisfies one these reasons (i.e. experiencing financial hardship; to correct rate anomalies; or for a public benefit) for rates and/or charges waiver concession.

If a ratepayer fails to comply with a condition of waiver, then Council may, by notice to the ratepayer, withdraw the concession and require the ratepayer to pay an amount on or before a date specified in the notice, to neutralise any benefit to the ratepayer of the concession.

The Council may grant a waiver concession on the Council's own initiative to correct rate anomalies per section 249 of the *Local Government Act 2019*.

Deferment of Rates and Charges

The Council may postpone some or all of a ratepayer's obligation to pay rates and charges, although rates and charges will continue to be levied and be subject to compliance with any conditions imposed.

An application in writing must be submitted by the ratepayer, or the ratepayer's representative, explaining the reason (i.e. financial hardship, anticipated difficulty or public benefit). The Council will assess the



application, decide by Council resolution an appropriate payment plan and any specific conditions if payment deferment is granted.

Under section 251 of the *Local Government Act 2019*, a rate concession cannot exceed the term of the Council.

Remission of Interest Accrued on Overdue Rates and Charges

In accordance with section 245 of the *Local Government Act 2019*, if rates are not paid by the due date, interest may be accrued on the amount of the unpaid rates at the relevant interest rate. The Council considers declared charges, not paid by the due date, are also to accrue interest on the amount unpaid at the relevant interest rate.

Interest is to be calculated on a daily basis on the amount in default (exclusive of interest) from the due date until the date of payment.

The Council may waive interest accrued on overdue rates and charges in whole or in part. An application for a waiver of interest accrued is to be in writing and will be considered by Council in situations of proven financial hardship and where a payment plan is agreed.

The remission of interest may also be applied by Council to correct a rates and charges anomaly.

Legal and Debt Collection Fees

Council may incur legal and debt collection fees in relation to overdue rates and/or charges.

An application for waiving of legal and debt collection fees charged to the ratepayer shall be submitted in writing to the Council for consideration.

Any waiver shall be a one-off waiver in response to circumstances presented at the time.

Public Benefit

In accordance with section 250 of the *Local Government Act 2019*, the Council may grant a rate [or charges] concession if satisfied the concession will advance one or more of the following purposes:

- Securing the proper development of its area.
- Preserving buildings or places of historical interest.
- Protecting the environment.
- Encouraging cultural activities.
- Promoting community health or welfare.
- Encouraging agriculture.
- Providing recreation or amusement for the public.

5. Responsibilities

The Chief Executive Officer is the policy custodian and is responsible for: implementation and communication of the policy; reviewing the operation of the policy (i.e. monitoring the policy's continuing relevance, effectiveness, and consistency with related documents and the law); and submitting a revised policy to Council by the Review Date.



6. Related Documents

Legislation and References

Local Government Act 2019

Local Government (General) Regulations 2021

Policy documents

Council's Delegation Manual

Debt Management Policy

Procedures

Nil

Instructions, tools, guidelines, forms and templates

Nil

