



## RATE REBATE POLICY

Policy Type:	Policy		
<b>Approved By:</b>		<b>Decision No:</b>	1566, 2015/0386, 2017/1872, 0103/2019
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<b>Department:</b>	Business Excellence	<b>Division:</b>	Financial Services
<b>Function:</b>	7 - Financial Management	<b>Responsible Officer:</b>	Manager, Financial Services

### A – Preamble

1. The *Local Government Act 1999* (“the Act”) provides for Mandatory and Discretionary rebates of rates. The City of Salisbury will act in accordance with the Act in providing Mandatory Rebates. In relation to Discretionary Rebates, this policy will be applied to determine whether a rate rebate will be provided.

### B – Scope

1. This Policy applies to all rateable land in the council area.

### C – Policy Purpose/Objectives

1. Council has adopted a Rate Rebate Policy to assist it in its decision making functions relative to the operation of the rate rebate provisions contained within Chapter 10, Division 5 (Sections 159 to 166) of the Act.
2. This Policy provides guidance to the community, Council and Staff as to the grounds upon which a person or body is, or may be, entitled to receive a rebate of rates and the matters Council will take into account in determining an application for a rate rebate.
3. In accordance with the rebate of rates provisions contained in the Act, this Policy sets out the type of use in respect of land which the Council must grant a rebate of rates and the amount that rebate must be, and those types of land use where the Council has a discretion to grant a rebate of rates.

### D – Definitions

Definitions as per the *Local Government Act 1999*

## E – Policy Statement

### 1. Local Government Act 1999

1.1. Section 159(3) of the Act provides that the Council may grant a rebate of rates under the Act if it is satisfied that it is appropriate to do so.

### 2. Mandatory Rebates

2.1. The Act stipulates that Council must grant a rebate of rates and the percentage of that rebate for specified land uses. These are set out below.

#### 2.2. **Mandatory 100% Rebate of Rates:**

##### 2.2.1. ***S160—Rebate of rates – health services***

*The rates on land being predominantly used for service delivery or administration by a hospital or health centre incorporated under the South Australian Health Commission Act 1976 will be rebated at 100 per cent.*

##### 2.2.2. ***S162 – Rebate of rates – religious purposes***

*The rates on land containing a church or other building used for public worship (and any grounds), or land solely used for religious purposes, will be rebated at 100 per cent.*

##### 2.2.3. ***S163 – Rebate of rates – public cemeteries***

*The rates on land being used for the purposes of a public cemetery will be rebated at 100 per cent.*

##### 2.2.4. ***S164 – Rebate of rates – Royal Zoological Society of SA***

*The rates on land (other than land used as domestic premises) owned by, or under the care, control and management of, the Royal Zoological Society of South Australia Incorporated will be rebated at 100 per cent.*

#### 2.3. **Mandatory 75% Rebate of Rates:**

##### 2.3.1. ***S161—Rebate of rates – community services***

*(1) The rates on land being predominantly used for service delivery or administration (or both) by a community service organisation will be rebated at 75 per cent (or, at the discretion of the council, at a higher rate)\**

...

*(3) For the purposes of this section, a community services organisation is a body that—*

*(a) is incorporated on a not-for-profit basis for the benefit of the public; and*

*(b) provides community services without charge or for a charge that is below the cost to the body of providing the services; and*

*(c) does not restrict its services to persons who are members of the body.*

*(4) For the purposes of subsection (3)—*

*(c) any of the following are community services:*

*(i) the provision of emergency accommodation;*

- (ii) *the provision of food or clothing for disadvantaged persons;*
  - (iii) *the provision of supported accommodation;*
  - (iv) *the provision of essential services, or employment support, for persons with mental health disabilities, or with intellectual or physical disabilities;*
  - (v) *the provision of legal services for disadvantaged persons;*
  - (vi) *the provision of drug or alcohol rehabilitation services;*
  - (vii) *the conduct of research into, or the provision of community education about, diseases or illnesses, or the provision of palliative care to persons who suffer from diseases or illnesses;*
- (d) *Disadvantaged persons are persons who are disadvantaged by reasons of poverty, illness, frailty, or mental, intellectual or physical disability*

**It is necessary for a community service organisation to satisfy all of the criteria contained in the Act to be entitled to the mandatory 75% rebate.**

\* subject to submission of a discretionary rate rebate application

### **2.3.2. S165—Rebate of rates – educational purposes**

(1) *The rate on land –*

(a) *occupied by a government school under a lease or licence and being used for educational purposes; or*

(b) *occupied by a non-government school registered under the Education and Early Childhood Services (Registration and Standards) Act 2011 and being used for educational purposes,*

*Will be rebated at 75 per cent (or, at the discretion of council, at a higher rate)*

(2) *The rates on land being used by a university or university college to provide accommodation and other forms of support for students on a not-for-profit basis will be rebated at 75 per cent (or, at the discretion of the council, at a higher rate).*

2.4. Where a person or body is entitled to a rebate of 75% the Council may, pursuant to Section 159(4) of the Act, increase the rebate up to a further 25%. The Council may grant the further 25% rebate upon application or on its own initiative. In either case the Council will take into account those matters set out at Clause 3.1 of this Policy.

2.5. Where an application is made to the Council for a rebate of up to a further 25% the application will be made in accordance with Clause 4.1 of this Policy and the Council will provide written notice to the applicant of its determination of that application.

2.6. Where Council is satisfied from its own records or from other sources that a person or body meets the necessary criteria for a mandatory 100% or 75% rebate, Council will grant the rebate of its own initiative. Where Council is not so satisfied it will require the person or body to apply for the rebate in accordance with Clause 4.1 of this Policy.

2.7. The Council delegate the determination of entitlement to mandatory rebates to the CEO.

3. **Discretionary Rebate of Rates:**

3.1. The Act gives Council the power to grant discretionary rebates for a broad range of purposes and the percentage of that rebate.

3.1.1. ***S166—Discretionary rebate of rates***

- (1) *A council may grant a rebate of rates or service charges in any of the following cases (not being cases that fall within a preceding provision of this Division):*
- (a) *where the rebate is desirable for the purpose of securing the proper development of the area (or a part of the area);*
  - (b) *where the rebate is desirable for the purpose of assisting or supporting a business in its area;*
  - (c) *where the rebate will conduce to the preservation of buildings or places of historic significance;*
  - (d) *where the land is being used for educational purposes;*
  - (e) *where the land is being used for agricultural, horticultural or floricultural exhibitions;*
  - (f) *where the land is being used for a hospital or health centre;*
  - (g) *where the land is being used to provide facilities or services for children or young persons;*
  - (h) *where the land is being used to provide accommodation for the aged or disabled;*
  - (i) *where the land is being used for a residential aged care facility that is approved for Commonwealth funding under the Aged Care Act 1997 (Cwlth) or a day therapy centre;*
  - (j) *where the land is being used by an organisation which, in the opinion of the council, provides a benefit or service to the local community;*
  - (k) *where the rebate relates to common property or land vested in a community corporation under the Community Titles Act 1996 over which the public has a free and unrestricted right of access and enjoyment;*
  - (l) *where the rebate is considered by the council to be appropriate to provide relief against what would otherwise amount to a substantial change in rates payable by a ratepayer due to—*
    - (i) *a redistribution of the rates burden within the community arising from a change to the basis or structure of the council's rates; or*
    - (ii) *a change to the basis on which land is valued for the purpose of rating, rapid changes in valuations, or anomalies in valuations;*
- (1a) *A council must, in deciding whether to grant a rebate of rates or charges under subsection (1)(d), (e), (f), (g), (h), (i) or (j), take into account—*

- (a) *the nature and extent of council services provided in respect of the land for which the rebate is sought in comparison to similar services provided elsewhere in its area; and*
- (b) *the community need that is being met by activities carried out on the land for which the rebate is sought; and*
- (c) *the extent to which activities carried out on the land for which the rebate is sought provides assistance or relief to disadvantaged persons, and may take into account other matters considered relevant by the council.*

The Council may take into account, but are not limited to, the following:

- (i) why there is a need for financial assistance through a rebate;
- (ii) the level of rebate (percentage and dollar amount) being sought and why it is appropriate;
- (iii) the extent of financial assistance, if any, being provided to the applicant and/or in respect of the land by Commonwealth or State agencies;
- (iv) whether the applicant has made/intends to make application to another Council(s);
- (v) whether, and if so to what extent, the applicant is or will be providing a service within the Council area;
- (vi) whether the applicant is a public sector body, a private not for profit body or a private for profit body;
- (vii) whether there are any relevant historical considerations that may be relevant for all or any part of the current Council term;
- (viii) the desirability of granting a rebate for more than one year in those circumstances identified at Clause 4.2 of this policy;
- (ix) consideration of the full financial consequences of the rebate for the Council;
- (x) the time the application is received;
- (xi) the availability of any community grant to the person or body making the application;
- (xii) whether the applicant is in receipt of a community grant; and
- (xiii) any other matters, and policies of the Council, which the Council considers relevant.

3.2. The Council has an absolute discretion –

3.2.1. to grant a rebate of rates or service charges in the above cases; and

3.2.2. to determine the amount of any such rebate, to a maximum of 100% of the relevant rate or service charges

3.3. Discretionary rebates granted under this policy will be reviewed at the time of reviewing the policy (Section E, Clause 6.1), so consequently are granted for a maximum of two years.

3.4. Persons who, or bodies which, seek a discretionary rebate will be required to submit an application form to Council and provide to Council such information as stipulated on the application form and any other information that Council may reasonably require. Further information about the application process can be found in section 4.

3.5. As a matter of policy Council will provide a 100% discretionary rebate on:

3.5.1. Not for profit Kindergartens/Child care Centres

3.5.2. Guides and Scouts Groups

and Council delegate the determination of the application of this discretionary rebate to the CEO.

3.6. Council have determined that discretionary rebates under S166 will not be granted for:

3.6.1. Provision of support services or direct financial support of low income families

3.6.2. Private residential properties

3.6.3. Private and not for profit residential aged care facilities.

#### 4. **Rebate Applications**

4.1. Persons or bodies who seek a rebate of rates (and/or service charges) must make written application. Forms are available online [http://www.salisbury.sa.gov.au/Services/Rates/Rate\\_Rebate\\_Policy\\_and\\_Application\\_Form](http://www.salisbury.sa.gov.au/Services/Rates/Rate_Rebate_Policy_and_Application_Form) or can be obtained from Council Offices located at James Street Salisbury, or by contacting the Customer Centre 8406 8222.

4.2. All persons who, or bodies which, wish to apply to the Council for a rebate of rates must do so on or before 31 August in the year of application. However, applicants which satisfy the criteria for a mandatory 100% rebate will be granted the rebate at any time.

4.3. There are penalties for making false statements and for failing to advise Council of changes in circumstances which would remove the entitlement to a rebate. Relevant sections of the legislation are:

##### 4.3.1. ***S159—Preliminary***

...

(2) *A person or body must not –*

(a) *Make a false or misleading statement or representation in an application to be made (or purporting to be made) under this Division; or*

(b) *Provide false or misleading information or evidence in support of an application made (or purporting to be made) under this Division*

*Maximum penalty: \$5,000*

##### 4.3.2. ***S159—Preliminary***

...

(7) *If a person or body has the benefit of a rebate of rates under this Division and the grounds on which the rebate has been granted cease to exist, the person or body must immediately inform the council of that fact and (whether or not the council is informed) the entitlement to a rebate ceases.*

- (8) *If a person or body fails to comply with subsection (7), the person or body is guilty of an offence.  
Maximum penalty: \$5,000*

4.4. Council may determine that rebates no longer apply, and can recover rates as follows:

4.4.1. ***S159—Preliminary***

...

(10) *A council may, for proper cause, determine that an entitlement to a rebate of rates in pursuance of this Division no longer applies*

(11) *If an entitlement to a rebate of rates ceases or no longer applies during the course of a financial year, the council is entitled to recover rates, or rates at the increased level (as the case may be), proportionate to the remaining part of the financial year.*

4.5. Council will, in writing, advise an applicant for a rebate of its determination of that application within sixty days of receiving the application or of receiving all information requested by Council. The advice will state:

4.5.1. if the application has been granted, the amount of the rebate; or

4.5.2. if the application has not been granted, the reasons why.

4.6. A person or body that is aggrieved by a determination of Council in respect of an application for a rate rebate may seek a review of that determination by written application to the Council within three months of the making of the determination (in accordance with Council's Internal Review of Decisions procedure).

5. **Community Grants**

5.1. If an application for a rebate is unsuccessful, the Council has an absolute discretion to then treat the application as one for a community grant and to determine it in accordance with the Council's Community Grants Policy.

6. **Policy Review & Availability**

6.1. Council will review this policy in the twelve months following an election, and every two years thereafter.

6.2. This Policy is available for inspection at Council offices and persons may obtain a copy of this Policy without charge.

**F – Delegation**

1. The Council has delegated its power, pursuant to Section 44 of the Act, to grant applications for mandatory rebates which meet the requirements of the Act (sections 161- 165) to the Chief Executive Officer.

2. All discretionary rebates shall be determined by the Council with the exception of those categories identified in clause 3.5 and 3.6

**G – Legislation**

The Local Government Act 1999

## H – Associated Policies

### Council’s Internal Review of Council Decisions Policy

#### Document Control

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