



<b>Policy Type</b>	Financial Policy		
<b>Responsible Department</b>	Office of Chief Executive Officer		
<b>Responsible Officer</b>	Deputy Chief Executive Officer		
<b>Related policies</b>	Annual Business Plan and Annual Budget Rate Rebate Policy Debt Recovery Policy		
<b>Date adopted</b>	15 June 2021	<b>Minute Number</b>	<b>2021.75</b>
<b>Version</b>	3		
<b>Last reviewed</b>	15 June 2017		
<b>Next Review date</b>	June 2025		

## 1 INTRODUCTION

This Policy provides a framework for the District Council of Elliston to determine the annual setting and collection of rates against rateable land.

## 2 SCOPE

Council's powers to raise rates are found in Chapter 10 of the *Local Government Act 1999* (the **Act**). The Act provides the framework within which the Council must operate, but also allows Council to make a range of policy choices.

This Policy includes references to compulsory features of the rating system, as well as the policy choices that the Council has made on how it imposes and administers the collection of rates.

## 3 VALUATION OF LAND FOR RATING PURPOSES

Pursuant to Section 151 of the Act, Council has adopted the capital value method as the basis for valuing land. Council considers that this method provides the fairest way to distribute the rate burden across all ratepayers on the following basis:

- The 'capacity to pay' principle of taxation requires that ratepayers of similar means pay similar taxes and ratepayers with greater means pay more tax than ratepayers of less means;
- Property value is a relatively good indicator of circumstance and means (when lifetime incomes, including incomes from capital gains, are taken into account). Capital value, which closely approximates the market value for a property, provides the best indicator of overall property value.



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Council adopts the valuations made by the State Valuation Office as provided to the Council each year (Section 167 of the Act). Council has no role in the valuation process.

### 4 COMPONENT OF RATES

#### General Rates

Council endorses the differential general rates according to the locality of the land and its use. In accordance with Clause 14(1) (differentiating factors) of the Local Government (General) Regulations 2013, the following land use codes are utilised for rating purposes:

- Residential
- Commercial – Shop
- Commercial – Office
- Commercial – Other
- Industrial – Light
- Industrial – Other
- Primary Production
- Vacant Land
- Other

In accordance with Clause 14(1) (differentiating factors) of the Local Government (General) Regulations 2013, the following differentiating factors based on the locality of land are utilised for rating purposes:

- According to the zone in which the land is situated

#### Fixed Charge:

Council imposes a fixed charge (applying equally) to all rateable properties pursuant to Section 152 of the Act.

#### Service Charges:

Community Wastewater Management (CWMS): Council will recover the cost of providing township based Community Wastewater Management Systems via a service charge. The charge applied will include an appropriate provision for the future replacement of CWMS infrastructure and equipment, pursuant to Section 155 of the Act.

Water Supply: Council will recover the cost of providing a water supply to the township of Port Kenny via a service charge. The charge applied will include an appropriate provision for any future replacement of infrastructure or equipment, pursuant to Section 155 of the Act.

Refuse/Recycling: Council will recover the cost of providing a kerbside refuse/recycling service via a service charge levied pursuant to Section 155 of the Act.



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### Separate Rate

Levy Regional Landscape Levy: Council is required under the *Landscape South Australia Act 2019* to make a specified contribution to the Eyre Peninsula Landscape Board. It does so by imposing a separate rate against all rateable properties.

This separate rate is effectively a State tax that Councils are required to collect and return to a State Government Agency, the local Eyre Peninsula Landscape Board.

### Concessions and Postponement

State Government Concessions – The State Government provides a “Cost of Living Concession”. This payment may be used for any purpose, including offsetting Council rates. This concession amount will be paid directly to the eligible concession holders and Council has no part in approving or providing these concessions.

In accordance with Section 182A of the Act persons who hold a Seniors Card may apply to postpone payment of rates for their principal place of residence. Council treats such applications confidentially.

Section 182 of the Act permits the Council, on the application of the ratepayer, to partially or wholly remit rates or to postpone rates, on the basis of hardship. Where a ratepayer is suffering hardship in paying rates he/she is invited to contact the Council office to discuss the matter. Council treats such enquiries confidentially. More details are provided in Council’s Financial Hardship During COVID-19 Information Sheet.

### Late Payment

Council will impose a penalty of (in the form of) a two (2) percent fine on any late payment of rates in accordance with Section 181 (8) of the Act. This fine may be remitted (waived) in whole or in part at the Council’s discretion.

A payment that continues to be late is then charged an interest rate (which is adjusted by legislation each year) for each month it continues to be in arrears, including the amount of any previous unpaid fine and including interest from any previous month. The purpose of this penalty is to act as a genuine deterrent to ratepayers who might otherwise fail to pay their rates on time, to allow Council to recover the administrative cost of following up on unpaid rates.

When Council receives a payment in respect of overdue rates, Council applies money received as follows:

- First – to satisfy any costs awarded in connection with court proceedings;
- Second – to satisfy any interest costs;
- Third – in payment of any fines imposed;
- Fourth – in payment of rates, in chronological order (starting with the oldest account first).



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### Sale of Land for Non-Payment of Rates

Section 184 of the Act provides that a Council may sell any property where the rates have been in arrears for three (3) years or more. The 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 (1) month. Except in extraordinary circumstances, the Council will enforce the sale of land for arrears of rates.

### Adoption of Rates

Pursuant to Section 153(5) of the Act, the adoption of rates will not occur until Council has adopted its Annual Business Plan and Annual Budget for the financial year to which the rates relate. The adoption should occur at the June Council meeting each year. If required, Council can defer the adoption until 31 August if circumstances dictate.

### Rate Payment Methods

The following methods are provided for the payment of rates:

- Payment by BPay
- Payment over the counter
- Payment at Australia Post outlets (either counter/phone/internet)
- Payment by mail.

Any ratepayer who may, or is likely to, experience difficulty with meeting the standard payment arrangements may contact the Rates Administrator to discuss alternative payment arrangements. Such enquiries are treated confidentially by Council.

### Review of Policy

This Policy may be amended at any time and should be reviewed at least every four years since its adoption or last amendment.

### Availability of the Policy

This policy will be available for inspection at the Council offices listed below during ordinary business hours and available to be downloaded, free of charge, from Council's internet site: [www.elliston.sa.gov.au](http://www.elliston.sa.gov.au)

District Council of Elliston  
21 Beach Terrace  
ELLISTON SA 5670

Copies will be provided to interested parties upon request. Email [dce@elliston.sa.gov.au](mailto:dce@elliston.sa.gov.au)



## RATING POLICY

### Policy Version History

Version No:	Approval Date:	Description of Change:
1	June 2012	New policy - Rating Policy
2	20 June 2017	Updated Template
3	18 May 2021	Updated