

Rates Senior Postponement Policy



COUNCIL POLICY – Rates Senior Postponement Policy	
Reference Number	854619
Responsible Business Unit	Finance.
Responsible Officer	General Manager Corporate Services
Legislation	Local Government Act 1999 Local Government General Regulations 1999 Local Government Financial Management Regulations 2011 Local Government Finance Authority Act 1983 Rates and Land Tax Remissions Act 1986 As found on Legislative Register Reference Number 792726
Relevant Delegations	Chief Executive Officer General Manager Corporate Services Chief Finance Officer Senior Finance Officer-Rates
Related Policies Management Guidelines Frameworks	Financial Sustainability Policy Rating Policy Rates Financial Hardship Policy Rates Debt Recovery Policy Rates Senior Postponement Management Guideline Rates Debt Recovery Management Guideline Rates Financial Hardship Management Guideline Privacy Policy
Link to Strategic Plan	5.4 - Transparent
Council resolution	137.1
Date Adopted	14 August 2017
Review Date	September 2019
Previous Revisions	Item 122.10 – September 2014 Item 220.1 – September 2015
POLICY STATEMENT	
To ensure that all applications for the deferment or postponement of rates payments due to eligibility under section 182A (Seniors) are considered in an equal and fair manner.	
OBJECTIVES	
<p>Rates are a form of taxation and are levied under the Local Government Act 1999 on the basis of land value and use. As per Council's Rating Policy, land value and land use are used as a reasonable indicator of capacity to pay.</p> <p>This policy recognises that there may be circumstances where the value of the property or the land use does not indicate the ratepayer's capacity to pay and allows Council to consider applications for temporary relief from rates.</p> <p>Section 182A (Postponement of Rates – Seniors) of the Local Government Act 1999 allows for postponement of rates above the value of \$500 per annum upon application from the concession holder and on satisfaction of the eligibility criteria. The postponement of rates</p>	

allows the ratepayer to accrue the outstanding rates as a charge on the land.

The outstanding rates amounts are paid upon one of the following events occurring:

- the death of the ratepayer or;
- the sale of the property or;
- the pensioner ceases to occupy the property as their principal place of residence and the property is rented out.

SCOPE

This policy is set to establish the guidelines for the assessment of applications for the postponement of rates due to eligibility under section 182A of the Local Government Act 1999.

Postponement of rates (Seniors) allows for long term rates postponement upon application from State Senior card holder residents with the minimum amount payable of \$500 per annum.

This policy relates only to Seniors Postponements of rates applications, other financial hardship circumstances are dealt with under the Rates Financial Hardship policy.

This policy recognises that there may be circumstances where the value of the property does not indicate the ratepayer's capacity to pay and allows Council to consider applications for postponement of rates for Seniors.

PRINCIPLES

As a Council:

- We are committed to providing a mechanism of support for employees in complying with this policy, enabling ratepayers to be comfortable when approaching Council in relation to their application for the postponement of rates for Seniors
- All applications for Seniors Postponement will be treated fairly, consistently and in the strictest confidence
- All applicants for Seniors Postponement will be treated with respect and compassion when discussions take place regarding their request.

A ratepayer who holds or is in process of applying for a State Seniors card may apply for the postponement of a portion of the Council rates payable on the property they own or are buying if the property is their principal place of residence and no other person, other than their spouse, has an interest as the property owner.

The criteria used to determine eligibility for Seniors Postponement of rates are;

- That the principal ratepayer is in receipt of a seniors card and/or receives a government concession in relation to the property
- That the property is the pensioner's principal place of residence

- That the property is used for residential or farming¹ purposes only, and
- The property has no more than a single dwelling house or residential unit erected upon it, and
- That the postponed amount will relate only to the differential rate levy less the \$500 per annum which must be paid. The ratepayer is required to pay in full any service charges and the Natural Resources Management Levy as charged on the rate notice.
- Applications for Seniors Postponement of rates do not need to be submitted on an annual basis for postponement to be continued, but Council must be notified if the circumstances relating to the postponement request have changed
- Council may issue an annual declaration form with the annual (first) rate notice of the financial year to check that applicants are still eligible for the Seniors Postponement of rates and that the applicants wish to continue with this process.
- Interest on postponed amounts will accrue at the Cash Advance Rate (CADR) published by the Local Government Finance Authority at the 1st of July each financial year.

IMPLEMENTATION

Ratepayers may apply for postponement of rates or Seniors Postponement where their financial circumstances do not allow them the means to meet their financial liability when due, ie, they own a high valued property and are 'asset rich' but their low income means they are 'cash poor'.

All Seniors Postponement applications must be in writing on Council's application form and will only be recognised after written confirmation of approval is provided by Council.

All application requests for Seniors Postponement will be treated in the strictest confidence.

Applications for Seniors Postponement are required to be supported by eligibility documentation which should include State Seniors card and bank/mortgage statements

Information regarding continued eligibility for Seniors Postponement will be regularly (at least yearly) forwarded to the principal ratepayer

Any approval to postpone the payment of rates will cease to exist if;

- the principal ratepayer is no longer entitled to a pensioner concession,
- the principal ratepayer becomes deceased
- the property is not the principal ratepayer's principal place of living,
- the property is not used for residential or farming purposes,
- the property has more than one residential dwelling erected on it or

¹ Principal place of residence can include farming purposes for Seniors postponement applications if it is the ratepayer's principal place of abode

- the property is sold.

DEFINITIONS

"Default" means where a Council approved payment arrangement is in place and payments are not made as agreed by the principal ratepayer.

"Financial Hardship" means a circumstance of experiencing a lack of financial means, which may be either ongoing or temporary, but does not include circumstances where a person chooses not to meet a liability for an unpaid debt.

"Payment arrangements" means where the principal ratepayer forwards a written proposal for alternative arrangements for payment of rates to the instalment of rates defined on the rates notices for the financial year and Council provides written approval of the proposal.

"Postponement" means deferring the payment of rates until the rateable property is sold.

"Principal ratepayer" means the nominated person, or other party that is responsible for ensuring rates are paid and accurate contact details are provided for the rateable property.

"Principal place of residence²" means land that is owned by a natural person (ie, not a company or other organisation) and is used as the principal place of residence and:

- Not used to conduct a business, trade or boarding house from the property; or
- Part of the property is not let to any person other than a parent, grandparent, child or grandchild (note: the owner must reside on the land with the family member)

"Senior" is a principal ratepayer that is entitled to a government pensioner rate concession which includes State Seniors Card.

² Principal place of residence (as defined for SA Land Tax)