

## RATES EXEMPTION POLICY

### Policy Objective

To establish a consistent approach for determining the granting of an exemption, concession or waiver on the payment of rates.

### Policy Scope

This policy is applicable to ratepayers within the Town of Bassendean who are eligible to apply for:

- Land to be considered not rateable land pursuant to section 6.26(2) of the *Local Government Act 1995* (hereinafter referred to as a rate exemption);
- A waiver or concession in relation to rates or service charge pursuant to section 6.47 of the *Local Government Act 1995*.

This policy does not apply to ratepayers who are eligible for a rate concession pursuant to the *Rates and Charges (Rebates and Deferments) Act 1992*.

### Definition

In this policy unless the contrary intention appears:

**Not For Profit (NFP) Community Group** – means an organisation incorporated under the *Associations Incorporations Act 2015* to promote a community or sporting activity which has a positive effect on the community of the Town.

### Policy Statement

This policy provides guidance to applicants who apply for a rate exemption or a waiver or concession in relation to a rate or service charge.

#### 1. Non-Rateable Land

1.1 Section 6.26 of the *Local Government Act 1995* provides that all land within a district is rateable land and provides a number of exceptions. The most common exceptions relevant to the Town are:

- (d) land used or held exclusively by a religious body as a place of public worship or in relation to that worship, a place of residence of a minister of religion, a convent, nunnery or monastery, or occupied exclusively by a religious brotherhood or sisterhood; and
- (g) land used exclusively for charitable purposes.

#### 2. Rates Exemption

2.1 The Town will consider all applications for a rates exemption under section 6.26(2) of the *Local Government Act 1995* made in writing by completing an Application for Rates Exemption form.

2.2 An application for rates exemption is only applicable to rates and does not include service charges or the Emergency Services Levy.

2.3 An application for rates exemption must be lodged every two years and will be assessed in accordance with this Policy. It is the responsibility of the applicant to re-apply.

- 2.4 The Town may require the applicant to provide additional information and/or supporting documentation, including a copy of the Constitution or other governing document, financial report, charitable registration and information demonstrating the use of any land that is the subject of the application.
- 2.5 An application for rates exemption must be made within 42 days of the date of issue of the Rates Notice, or such additional time as may be allowed at the discretion of the Town.
- 2.6 The Town may only grant an exemption from rates under section 6.26(2)(g) of the *Local Government Act 1995* if an applicant demonstrates that the land in question is being used exclusively for a charitable purpose according to criteria that has been developed by case law.
- 2.7 The essential elements for an exemption under section 6.26(2)(g) of the *Local Government Act 1995* are:
  - 2.7.1 The use of the land, not whether the body in question has a charitable purpose; and
  - 2.7.2 The land must be used exclusively for a charitable purpose. Charitable purpose is defined at common law by reference to the *Charitable Uses Act 1601 (UK)*.
- 2.8 The Town will assess the application within thirty (30) days of receipt of all required information and supporting documentation and provide the applicant with written advice as to whether the land is considered rateable or non-rateable. Where the Town considers the land to be rateable, the Town will provide written reasons to the applicant.
- 2.9 The Director Corporate Services may determine applications for rates exemption.
- 2.10 An applicant dissatisfied with a decision on an application for rates exemption has the rights specified in Part 6, Division 6, Subdivision 7 of the *Local Government Act 1995*.
- 2.11 Where the rate exemption is granted, the Town will amend the rate record with effect from the first day of the financial year in which the application was received.

### **3 Register**

- 3.1 The Town will maintain a Rates Exemption Register to record the determinations made in accordance with this Policy. The register will record the details of the organisation, the property, the rates otherwise payable, the purpose for which the land is used, the determination made and the review date.

### **4 Concession or Waiver of Rates**

- 4.1 Section 6.47 of the Local Government Act provides:
- 4.2 Subject to the *Rates and Charges (Rebates and Deferrals) Act 1992*, a local government may at the time of imposing a rate or service charge or at a later date resolve to waive\* a rate or service charge or resolve to grant other concessions in relation to a rate or service charge.

#### **Absolute majority required.**

- 4.3 Council will accept written applications from NFP community groups within the Town of Bassendean and consider granting a concession or waiver of rates or service

charges in accordance with its discretionary powers provided by section 6.47 of the *Local Government Act 1995*.

- 4.4 An application for a concession or waiver of rates or service charges must be submitted by completing an Application for Rates Waiver or Concession form and will be assessed in accordance with this Policy. The NFP Community Group must provide sufficient information and supporting documentation to demonstrate its eligibility for a concession or waiver for Council to make a decision on the application.
- 4.5 Council will consider all applications received at the time of adopting the Annual Budget and may grant a concession or waiver for up to two (2) years. It is the responsibility of the NFP Community Group to re-apply.
- 4.6 The Town will record the rate concession or waiver in the rate record.

| <b>Document Control box</b>       |                                  |                             |                    |
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| <b>Compliance Requirements:</b>   |                                  |                             |                    |
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