

RATING EXEMPTION POLICY

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1. OBJECTIVE

The objective of the policy is to outline the principles and methodology used when exercising the Council's powers in determining the granting of an exemption, concession or waiver on the payment of rates whilst ensuring an equitable distribution of rating is achieved across the community.

2. PRINCIPLES

2.1 Exemptions from Rates

The Council requires organisations seeking exemption from rates in accordance with Section 6.26 of the *Local Government Act 1995* to make application in accordance with the Application for Rate Exemption form attached to this policy. The exempt properties are to be reviewed annually for continued eligibility.

In the situation where a rateable property is being leased to a not-for-profit (NFP) community group that meets Council's rate exemption criteria, consideration will be given to providing a rate exemption proportional to the area leased by the NFP tenant e.g. if 30% of the property is leased to a not-for-profit community group, then the property owner will be considered for a 30% rate exemption.

2.2 State Agreements

Council will continue to work collaboratively with State Government and the Resource Industry to challenge rate exemption clauses from State Agreements. Those now and in the future, that have a rate exemption clause contained within them, will continue to reduce the capacity of the City to raise revenue to achieve a balanced budget, maintain service delivery and ensure long term financial sustainability. Two of the Principles of Rating, being Equity and Benefit, can be compromised in this instance.

2.3 Concession/Waiver on Rates

The Council will accept applications from not-for-profit community groups within the City of Karratha and consider granting a concession or waiver of rates annually in accordance with its discretionary powers provided by Section 6.47 of the *Local Government Act 1995*.

Any rate waivers or concessions for the next financial year will be subject to consideration at the time of adopting the annual budget. Initial applications by not-for-profit community groups for a waiver or concession will be accepted or rejected subject to the applicant providing information as detailed on the Application for Rate Waiver/Concession Not-for-Profit Community Groups form, attached to this policy.

Not-for-Profit Community Groups including Sporting Associations will be rated in the following cases:

- Where a club or group hold a licence issued under the *Liquor Licensing Act 1988*, the licensed area and any residential area of the property only is rated;
- Where a club or group provides accommodation for members, guests or staff, the accommodation area only is rated; and
- Where land is undeveloped or not used in the delivery of the group's services.

Not-for-Profit Community Group is defined as an organisation of people who are formed (including a group that is incorporated under the *Associations Incorporations Act*) to promote a community or sporting activity which has a positive effect on the community of the City of Karratha.

Application of the Policy

1. The application form will be lodged annually as advertised.
2. Applicants need to provide clear and concise information regarding the nature of their activities to illustrate eligibility for the waiver/concession to facilitate Council's decision making.
3. The application will be assessed and if the application meets the criteria to be considered as outlined in the Application for Rate Waiver/Concession Not-for-Profit Community Groups form, attached to this policy, a report will be presented to Council through the annual budgeting process.
4. In accordance with Section 6.47 of the *Local Government Act 1995*, the Council will consider granting the waiver/concession based on the criteria in the report.
5. All rate waivers and concessions are subject to annual review.
6. The Council decision will be actioned by the officers and a note will be made against the property assessment.

3. CONSEQUENCES

This policy represents the formal policy and expected standards of the City of Karratha. Appropriate approvals need to be obtained prior to any deviation from the policy. Elected Members and Employees are reminded of their obligations under the Council's Code of Conduct to give full effect to the lawful policies, decisions and practices of the City.

4. ROLES AND RESPONSIBILITIES

CUSTODIAN	OFFICER RESPONSIBLE FOR IMPLEMENTATION
Manager Financial Services/CFO	Financial Accountant
	Senior Rates Officer

5. REFERENCES TO RELATED DOCUMENTS

Include any informing Executive Guidelines, Procedural documents and forms.

- *Local Government Act 1995*
- *Local Government (Financial Management) Regulations 1996*
- City of Karratha - Annual Budget
- City of Karratha - Annual Report
- City of Karratha - Application for Rate Exemption Form
- City of Karratha - Rate Exemption Review Declaration Form
- City of Karratha - Application for Rate Waiver/Concession Not-for-Profit Community Groups Form

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Next Review:	April 2019
Responsible Officer:	Manager Financial Services/CFO

This Policy takes effect from the date of adoption by Council and shall remain valid until it is amended or deleted.