

POL190-Finance–Hardship due to Valuation Changes

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| Applies to: | Finance Staff |
| Officer Responsible: | Chief Financial and Information Officer |
| Associated Documents: | Special Rate Variation Application |
| Legislation: | Local Government Act 1993 |
| History: | Draft January 2009 Adopted April 2009 |
| G&R Meeting Date: | |
| Council Meeting: | |
| Council Minute Number: | |
| TRIM File Number: | A09/4352 INT/2009/00719 - 2009 INT/2014/02011 - Draft |
| Review Date: | March 2014 – To be reviewed annually (Change date on Form to relevant financial year) |
| Reasons for Review: | Complies with branding. Following Application for Special Rate Variation. |

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Relevant Legislation

LOCAL GOVERNMENT ACT 1993 - SECT 601

Hardship resulting from certain valuation changes

601 Hardship resulting from certain valuation changes

- (1) A ratepayer who, as a consequence of the making and levying of a rate on a valuation having a later base date than any valuation previously used by a council for the making and levying of a rate, suffers substantial hardship, may apply to the council for relief under this section.
- (2) The council has a discretion to waive, reduce or defer the payment of the whole or any part of the increase in the amount of the rate payable by the ratepayer in such circumstances, for such period and subject to such conditions as it thinks fit.
- (3) An applicant who is dissatisfied with a council's decision under this section may request the council to review its decision and the council, at its discretion, may do so.

1. Objectives

- 1.1 To cover situations where a ratepayer believes that they have suffered financial hardship by way of Council utilizing a General Revaluation for rating purposes for the first time.
- 1.2 To ensure that Council complies with Section 601 of the Local Government Act, 1993 (LGA).

2. Eligibility

- 2.1 This policy is available to the ratepayers of all land categorized as **'Residential'** for rating purposes within the Armidale Dumaresq Council area and is subject to a number of limitations as disclosed in the 'provisions' section of this policy.

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3. Provisions

- 3.1 Applications for hardship are to be submitted to Council in writing using the approved form.
- 3.2 Applicants must have followed the Valuer General’s guidelines in relation to valuation objections, in the first instance.
- 3.3 This legislation is only applicable in the first year of the using of valuations for rating purposes following the receipt of a General Revaluation.
- 3.4 Any relief under s.601 LGA will only be available to properties that are categorized and rated “**Residential**”.
- 3.5 The property must be the ratepayer’s principal place of residence, the ratepayer must be the owner of only one (1) property, within the specified Council area and that ratepayer must have owned the property (for which the application is made) for a period of not less than 10 years.
- 3.6 The residential component of mixed developments can only be considered for the hardship provisions. The income stream from the business is required to be included as gross household income. Business/mixed developments properties are excluded from the hardship provisions due to the tax-deductible nature of the rates and other operating expenses.
- 3.7 Applications for relief under this policy will only be considered if they are received within six (6) months of the posting date of the rates notice in the first year of the use of the General Revaluation for rating purposes.
- 3.8 Applications for relief under this policy must pass both the ‘Rates payable calculation’ and ‘Gross household income’ tests as well as the other listed ‘provisions’.

4. Calculation

- 4.1 Rates Payable Calculation:
The Rates Payable Calculation is the calculation of the difference between the 2007/8 general rates and the 2008/9 general rates.

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- 4.2 **Gross Household Income:**
The Gross Household income is the calculation of income which includes but not limited to: income from pensions/salaries; investment income; deemed income from assets; deemed rental from non-owner residents.
- 4.3 **Maximum Permissible Rate Relief:**
The Maximum Permissible Rate Relief is an increase in rates payable by more than the increase allowed for the year by the Department of Local Government to a maximum of \$100.00
- 4.4 **Calculation methodology – the Rates Payable Calculation for the year must have increased in accordance with 4.3 and must exceed 5% of the Gross Household Income.**

5. Consideration

- 5.1 Consideration can be in the form of Council entering an agreement with the ratepayer for a periodical payment of rates and charges as per Sect 564 LGA.
- 5.2 Consideration can be in the form of Council waiving that part of the general rate that represents an increase of more than the 5% of the Gross Household Income, to a maximum of \$100.00
- 5.3 Consideration by Council will be given to the waiving of interest as per the Section 567 – Hardship Policy.
- 5.4 All final decisions, in the granting of hardship considerations, are to be by Council resolution.

6. Responsibility / Accountability

- 6.1 The Revenue section is responsible for receiving, processing and responding to all applications.
- 6.2 The Revenue Manager is responsible for reviewing all processed applications and for submitting the outcome to Council for resolution.

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- 6.3 The Chief Financial & Information Officer is responsible for reviewing and responding to any complaints and resubmitting to Council if necessary.
- 6.4 The Revenue Manager is responsible for reviewing this policy prior to the next general land revaluation.
- 6.5 The applicant is responsible for providing accurate and timely information to Council.

7. Application form

DLG - Hardship Rate Relief Application Form attached.

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Hardship Rate Relief Application Form

Approved by the Director General of the Department of Local Government, in accordance with clause 135 of the Local Government (General) Regulation 2005 under the *Local Government Act 1993*.

**APPLICATION FOR HARDSHIP RATE RELIEF FOR THE WHOLE OR PART OF
THE YEAR COMMENCING 1 JULY 2014**

**please answer all questions relevant to you using block letters and ticking appropriate boxes.*

Assessment No. _____

I, _____

(Full name in block letters)

of _____

(Address)

telephone number _____ apply for a concession on the basis of financial hardship.

Property Description (Lot/Plan) _____

(office use only)

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(1) Is this application due to a General Revaluation of your property?
Yes No

(2) Do you receive any pensions or benefits? Yes No

If Yes, please provide type of pension and amount received per fortnight.

Pension: _____ Amount: _____

(2) Do you have a current Pensioner Concession Card issued by the Commonwealth Government? Yes No

PCC No. _____ Date of Grant _____

(3) Have you claimed a pensioner concession on any other property this year?
 Yes No

If Yes, state the address of the other property _____

(4) Is this property your sole or principal place of living? Yes No

The property for which I am claiming has been my sole/principal place of living since _____

(5) I am liable for the payment of rates and charges on this property, together with others as listed below. **(If no others, write "SOLE OWNER")** _____

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Please provide details of all “other” persons indicated in Question 5. **(ALL OWNERS other than the applicant should be listed, including your spouse):**

| Name | PCC Holder Y/N | Pension No | Date of Grant | Relationship to me (eg: spouse, father, co-owner etc) | Resident of Property Y/N | % of ownership |
|------|-------------------|------------|---------------|---|-----------------------------|----------------|
| | | | | | | |
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| | | | | | | |
| | | | | | | |

Evidence of joint ownership is attached/has been provided to council previously (circle whichever is applicable).

(6) Is the property owned as shares in a company title? Yes No

If you do not own or rent the property, please explain why you are liable to pay the rates _____

(7) Are there people living at the property other than those listed at Question 5?

Yes No

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(8) Please indicate who these people are?

- Self
- Spouse
- Children (State ages _____)
- Boarders
- Relatives
- Other (please specify)

(9) Do you own (either fully or partially) any other land or buildings? Yes No

If yes, list addresses.

(10) How many children do you support? _____ State ages _____

(11) What is the cause of financial hardship? _____

(12) How long have you been experiencing hardship? _____

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(13) Please state gross weekly amount received in dollars and cents from the following sources of income:

a) Pensions and benefits \$ _____

b) Compensation, superannuation insurance
or retirement benefits \$ _____

c) Spouse's income \$ _____

d) Income of other residents of the property \$ _____

e) Casual/part-time employment \$ _____

f) Family allowance \$ _____

g) Interest from banks/credit unions/building
societies \$ _____

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(14) Please provide name and current balance of all bank, credit union or building society accounts held by you.

(15) Please state details of fortnightly outgoings.

| Outgoing | Owed to | Amount |
|------------------------------|----------------|---------------|
| Rent/Home Loan | | |
| Other mortgages | | |
| Personal loans/Hire purchase | | |
| Health Costs | | |
| Council rates and charges | | |

Please attach a separate page with any other relevant information you feel may assist your application.

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I hereby declare that the information provided is true and correct. **If you make a false statement in an application you may be guilty of an offence and fined up to \$2,200.**

Signature: _____ Date: _____

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Customer Consent

For the sole purpose of authorising the council to confirm with Centrelink whether or not the detail I have provided to the council matches Centrelink or other Commonwealth portfolio department or agency records in relation to the current status of my Commonwealth Benefit:

I _____ (full name) authorise the council to confirm with Centrelink the following details:

- Pension No.
- Name
- Address
- Postcode, and
- That I am a valid concessional card holder

I agree that, unless I revoke my consent, this Customer Consent record is a permanent consent, and may be relied on by the council until such time as I revoke it.

I may revoke this Customer Consent record at any time by giving the council **written** notice that my consent is revoked. I understand if I revoke this consent, I may not be eligible for the concession given by the council.

I acknowledge I have read and understood this Customer Consent record.

Signature: _____ Date: _____

PRIVACY AND PERSONAL INFORMATION PROTECTION ACT 1998

Compliance with Section 10

The information contained in this application form and any information requested for the purpose of assessing eligibility for a pensioner concession is required under the Local Government Act 1993 and the Local Government (General) Regulation 2005.