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Pensioner Rates and Charges - Arrears and Interest

Policy Number: POL12/142 • **Adopted:** Various Dates • **Reaffirmed:** 6/05/2009, 23/11/2012 • **Minute Numbers:** MIN89.282, MIN89.534, MIN95.1314, MIN01.15, MIN09.558, MIN12.1286 • **File:** 1972E • **Produced By:** Finance & Corporate Services Group • **Review Date:** 1/12/2016

1. PURPOSE

To articulate Council's position in relation to the charging of interest and collection of arrears of pensioners' rates and charges.

2. STATEMENT

This policy statement is based on and consolidates the provisions of Council Minutes 89.282, 89.534, 95.1314, and 01.15 and was referred to the Rates Working Party meeting of 24th August 2005 where it was indicated that application of the policy should continue in accordance with the above minutes.

In this policy, **eligible pensioner** has the same meaning as that ascribed to the term in the Local Government Act and Regulation:

"eligible pensioner" , in Division 1 of Part 8 of Chapter 15, in relation to a rate or charge levied on land on which a dwelling is situated means a person:

- (a) who is a member of a class of persons prescribed by the regulations, and*
- (b) who occupies that dwelling as his or her sole or principal place of living.*

For the purposes of paragraph (a) of the definition of "eligible pensioner" in the dictionary of the Act, the following classes of persons are prescribed in the Regulation:

(a) persons who receive a pension, benefit or allowance under Chapter 2 of the Social Security Act 1991 of the Commonwealth, or a service pension under Part III of the Veterans' Entitlements Act 1986 of the Commonwealth, and who are holders of a pensioner concession card issued by or on behalf of the Commonwealth Government,

(b) persons who receive a pension from the Commonwealth Department of Veterans' Affairs as:

- (i) the widow or widower of a member of the Australian Defence or Peacekeeping Forces, or*
- (ii) the unmarried mother of a deceased unmarried member of either of those Forces, or*
- (iii) the widowed mother of a deceased unmarried member of either of those Forces,*

and do not have income and assets that would prevent them from being granted a pensioner concession card (assuming they were eligible for such a card), or

(c) persons who receive a general rate of pension adjusted for extreme disablement under section 22 (4) of the Veterans' Entitlements Act 1986 of the Commonwealth, or a special rate of pension under section 24 of that Act.

3. PROVISIONS

3.1. Interest on Arrears of Rates and Charges

Eligible pensioners are charged interest in accordance with Council's policy 'Rates – Overdue Interest Rate'. Council commenced charging interest on outstanding rates and charges for properties owned by eligible pensioners from 30th June 1989.

Interest is not payable on any rates or charges that were outstanding as at 30th June 1989 provided that the property (in respect of which the rates and charges were outstanding at that time) was owned by an eligible pensioner as at 31st December 1988.

3.2. Interest Free Period

Council will permit eligible pensioners an interest-free period until the end of May each year to pay their current rates and charges.

3.3. Deferment of Payment

Eligible pensioners are permitted to defer payment of their rates and charges. However, interest will accrue in accordance with clause 3.1

3.4. Action to Recover Outstanding Rates and Charges

Council will not institute legal action to recover rates and charges from eligible pensioners, except that where rates and charges are outstanding for a period of seventeen (17) years, Council will commence action to secure outstanding rates and charges. Such action to secure overdue rates and charges outstanding after 17 years may include legal action.

4. IMPLEMENTATION

The Finance and Corporate Services Group has responsibility to administer this policy.

5. REVIEW

This policy will be reviewed within one year of the election of every new Council.

6. APPLICATION OF ESD PRINCIPLES

None applicable.