



Rating Policy

Strategic Reference	Provide leadership, good governance, and efficient, effective and responsive Council services
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Applicable Legislation	Local Government Act 1999
Related Policies	Discretionary Rebates of Rates Policy Financial Hardship Policy General Ledger Information Policy
Related Procedures / Documents	

1. Objective

- 1.1. This document sets out the policy of the District Council of Yankalilla for the determination of setting and collection of rates annually.

2. Scope

- 2.1. This policy applies to all rateable properties in the District Council of Yankalilla.

3. Definition

- 3.1. For the purpose of this policy:

“Act”, means the Local Government Act 1999 (SA)

“Council” means District Council of Yankalilla

“District” means District Council of Yankalilla

“Valuer General” means Office of the Valuer-General in South Australia

4. Policy Statement

- 4.1. Rates are a system of taxation on the community for local government to deliver goods and services needed by the community.
- 4.2. Council considers the following impacts of rates in the Council area in annual setting of rates:
 - The equity of the distribution of the rate burden.
 - Council’s policy on encouraging local economic development.
 - Current economic conditions.
 - Changes in the valuation for the year based on the general valuation assessment.

5. Policy

5.1. Method Used to Value Land

Council may adopt one of the following valuation methodologies for properties in its area:

- Capital Value – the value of the land and all of the improvements on the land.
- Site Value – the value of the land and any improvements which permanently affect the amenity or use of the land excluding buildings
- Annual Value – a valuation based on the rental value of the property

District Council of Yankalilla uses Capital Value as the basis for rating land within the Council area. The Council considers that this method of valuing land provides the fairest method of distributing the rate burden.

Council uses the services of the South Australian Valuer-General to establish the value and category of land within the Council area for rating purposes.

5.2. Adoption of Valuations

District Council of Yankalilla adopts the most recent valuations made by The Office of the Valuer General – Section 167 of the Local Government Act, 1999 on an annual basis.

5.3. Objection to Valuation

If a ratepayer is dissatisfied with the valuation made by the Valuer General then they may object to the Valuer General in writing, within 60 days after the date of service of this notice of the valuation, explaining the basis of the objection – but note:

- a) if the ratepayer has previously received a notice of this valuation under the Local Government Act 1999 informing them of a 60 day objection period, the objection period is 60 days after service of the first such notice;
- b) this 60 day objection period may be extended by the Valuer-General where it can be shown there is reasonable cause;
- c) a ratepayer may not object to the valuation if the Valuer General has already considered an objection by you to that valuation.

A written objection should include the address of the property, ratepayer contact number, details regarding the condition of the improvements on the property, along with any recent market evidence. An objection can also be lodged via e-mail.

The address of the Office of the Valuer-General is:

Office of the Valuer-General
GPO Box 1354
ADELAIDE SA 5001
Email: OVGObjections@sa.gov.au
Telephone: 1300 653 346

For further information visit <https://www.valuergeneral.sa.gov.au>.

Please note that Council has no role in this process. It is important to be aware that the lodgement of an objection does not change the due date for payment of rates and charges.

5.4. Notional Values

The Valuation of Land Act 1971 allows the Valuer-General to determine Notional Valuations for Site Value and Capital Value in certain cases where the criteria for their determination has been met.

Notional Values are best described as concessional values that have regard to the actual use of the land, rather than the more valuable best potential use of the land that would otherwise be considered in determining the Site Value or Capital Value.

As a consequence, a Notional Value may be less than the Market Value of the land.

5.5. Council's Revenue Raising Powers

All land within a Council area, except for land specifically exempt, is rateable. The Local Government Act provides for a Council to raise revenue through a general rate, which applies to all rateable properties, or differential general rates, which apply to

different classes of properties. Council can raise separate rates, for specific areas of the Council or service rates or charges for specific services.

5.6. Differential General Rates

Council's rating system uses a Differential General Rate based on land use with a minimum rate.

A system using Differential Rates based on land use, rates properties in the following land use categories:

1. Residential
2. Commercial – Shop
3. Commercial – Com Office
4. Commercial – Com Other
5. Industry – Light
6. Industry – Other
7. Primary Production
8. Vacant Land
9. Other

If a ratepayer believes the land use applied to the property is incorrect, an objection may be lodged in writing to Council outlining the grounds upon which the objection is based. Objections must be submitted to Council within 60 days of receiving the rates notice.

5.7. Minimum Rate

Council considers it appropriate that all rateable properties contribute to the cost of administering Council's activities.

Section 158 of the Local Government Act, 1999 provides that councils may adopt a minimum rate. Council has decided to impose a minimum rate. The minimum rate is levied against the whole of an allotment (including land under a separate lease or licence) and only one minimum rate is levied against two or more pieces of adjoining land (whether intercepted by a road or not) if they are owned by the same owner and occupied by the same occupier.

5.8. Contiguous Vacant Land

Contiguous vacant land will be rated under the same land use as the 'parent' property, provided that the properties have the same owner/occupier and are used for the same purpose.

5.9. Single Farm Enterprise

A Single Farm Enterprise (SFE) is defined in Section 152 of the Local Government Act 1999.

A reference to a single farm enterprise is a reference to two or more pieces of rateable land -

(i) which -

(A) are farm land; and

(B) are farmed as a single enterprise; and

(C) are occupied by the same person or persons, whether or not the pieces of land are contiguous; or

(ii) which -

(A) as to all the pieces except one, are farm land farmed as a single enterprise occupied by the same person or persons; and

(B) as to one piece contiguous with at least one of the other pieces, is the principal place of residence of that person or one of those persons.

Section 158(2) (bb) of the Local Government Act 1999 provides that where a Council declares a general rate which is based in whole or in part, on a minimum rate, if two or more pieces of rateable land within the area of a council constitute a single farm enterprise, a minimum amount may only be imposed against 1 of the pieces of land.

The 'SFE' provisions in the Act apply only in respect to land within the area of a single council.

Existing SFE's that have applied to Council in preceding financial years will not need to reapply, unless requested to do so by Council.

5.10. Landscape Levy

The Regional Landscape levy (previously known as the NRM levy) is paid by all ratepayers across South Australia – recognising that all landowners are responsible for sustaining and managing our state's landscapes for the benefit of all community members.

Regional Landscape levies are raised by the Hills and Fleurieu Landscape Board to fund projects and programs to enable landholders, industry and the community to be directly responsible for sustainably managing their region's landscapes with an emphasis on land and water management, biodiversity and pest animal and plant control.

Just like Council rates, in the Hills and Fleurieu Region, regional Landscape Levy contributions are calculated on the value of your land and are then charged annually through your Council rates. Council collects the levy in its area on behalf of your Regional Landscape Levy Board as is required under the Landscape South Australia Act 2019, but only acts as a revenue collector and does not retain any levy income.

For further information about how your regional Landscape Levy is working for you and your local environment, visit <https://www.landscape.sa.gov.au/> or phone 8273 9100.

5.11. Separate Rates and Service Charges

Wirrina Water Supply

Council continues to manage legacy water accounts in Wirrina that have not elected to transfer to SA Water. This is an administrative and financial burden for which Council must try to recoup the expense.

5.12. Rate Capping

Council may grant a cap on rates on any of the land use categories:

1. Residential
2. Commercial – Shop
3. Commercial – Com Office
4. Commercial – Com Other
5. Industry – Light
6. Industry – Other
7. Primary Production
8. Vacant Land
9. Other

The percentage (%) of rate capping is generally dependant on the overall movement in property valuations in any given year and will be determined by resolution of Council.

This percentage will determine the maximum amount that any ratepayer will pay in addition to their previous general rates component.

5.13. Primary Production Rebate

Council recognises the value of primary production to our region's economy and encourages the continuation of farming in this District.

Council offers a Primary Production Rebate set by resolution. Properties eligible to receive this rebate must:

- Have the Primary Production land use category
- Be greater than 35 hectares
- Not be owned by government bodies
- Not already be receiving discounted rates through the use of notional values

5.14. Mandatory Rebates

Section 159-165 of the Local Government Act 1999 requires councils to rebate the rates payable on some land. Specific provisions are made for land used for health services, community services, religious purposes, public cemeteries, the Royal Zoological Society and educational institutions.

5.15. Discretionary Rebates

Discretionary rebates may be applied by the Council under Section 166 of the Act. See Council's Discretionary Rebates of Rates Policy.

All applications for rebates, remissions, or postponements must be in writing, addressed to the Chief Executive Officer, District Council Yankalilla via email at council@yankalilla.sa.gov.au or post at PO Box 9, Yankalilla SA 5203 and include sufficient details to identify the relevant property and any documentation in support of the application.

5.16. Remission and Postponement of Rates

Section 182 of the Local Government Act 1999 permits Council, on application of the ratepayer, to partially or wholly remit rates or to postpone rates on the basis of hardship.

Financial Hardship – Persons experiencing genuine ongoing financial hardship may seek assistance from Council where hardship can be substantiated by Certified Financial Counsellors. Please contact our office to discuss this option. Please refer to Council's Financial Hardship Policy.

All enquiries are treated confidentially.

5.17. Postponement of Rates - Seniors

Section 182A of the Local Government Act 1999 ensures ratepayers who hold a State Seniors card (or who are eligible to hold a State Seniors card and have applied for one) are able to apply to Council to postpone payment of a prescribed proportion of rates on their principal place of residence.

Prescribed interest will be charged and compounded monthly on the total amount postponed, until the debt is paid.

Postponed rates remain as a charge on the land and are not required to be repaid until the property is sold or disposed of. For further information contact Council on 8558 0200, visit www.yankalilla.sa.gov.au or email council@yankalilla.sa.gov.au.

5.18. Concessions

State Government Concessions – To check eligibility, contact the ConcessionsSA Hotline 1800 307 758 or go to www.sa.gov.au/concessions. Please note that Council has no role in this process.

5.19. Payment of Rates

In accordance with the provisions of the Local Government Act 1999 Council provides the opportunity for all ratepayers to pay rates in quarterly instalments, due in the months of September, December, March and June of each year.

The quarterly instalments are of equal or approximately equal value and Council will forward a rate notice at least 30 days prior to the instalment payment being due.

Council will accept payment of rates in full in advance.

Council's service charge relating to the Wirrina Water Charge will be included with the quarterly rate notices.

Rates may be paid in a variety of ways determined annually by the Council. Payment methods are listed on rate notices.

Any ratepayer who may, or is likely to, experience difficulty with meeting the standard payment arrangements is invited to contact the Council Office by phoning 8558 0200, or by emailing council@yankalilla.sa.gov.au to discuss alternative payment arrangements. Such enquiries are treated confidentially by Council and Council is sympathetic to individual circumstances.

5.20. Overpayment of Rates

Council will not pay interest on any voluntary overpayment of rates and will not refund any amount unless requested in writing by the ratepayer.

Council may review the balance of rates on each property and if rates have been overpaid, a refund payment may be processed to the ratepayer. Any refunds will be paid by Electronic Funds Transfer. Please note where Council does not receive a request for a refund, the overpayment will be applied to future rates.

5.21. Late Payment of Rates

The Local Government Act 1999 provides that councils impose an initial penalty of 2% on any rate instalment not paid on or before the due date.

Upon the expiration of each month after the date the instalment first becomes due an additional interest charge of a prescribed amount will be calculated on the outstanding amount, including any interest that has previously been levied.

Council is prepared to consider remitting penalties for late payment of rates where ratepayers can demonstrate extenuating circumstances and apply in writing.

Should the rates remain unpaid for more than 21 days after the due date then Council may refer the debt to a debt collection agency for collection. The debt collection agency charges collection fees to the ratepayer.

When Council receives a payment in respect of overdue rates Council applies the money received, in accordance with the Local Government Act 1999, as follows:

- First – to satisfy any costs awarded in connection with court proceedings
- Second – to satisfy any interest costs
- Third – in payment of any fines imposed
- Fourth – in payment of rates in chronological order (starting with the oldest account first)

5.22. Payment Arrangements

While Council rates are automatically divided and payable in quarterly instalments, Council understands that some ratepayers may prefer or need to pay their council rates in smaller and more regular payments throughout the year.

Payment arrangements and due date extensions can be negotiated with ratepayers who may be experiencing financial difficulties or need to set up weekly/fortnightly/monthly payments. Fines and interest exemptions may be applicable where the request is received prior to the due date.

Any ratepayer who is experiencing difficulties in paying rates is encouraged to Council on 08 8558 0200 or email at council@yankalilla.sa.gov.au to discuss a short-term arrangement.

5.23. Non-Payment of Rates

The Local Government Act 1999 provides that a Council may sell any property where the rates have been in arrears for three years or more. Except in extraordinary circumstances, Council will enforce the sale of land for arrears of rates. The Act sets out the procedure to be followed in such actions.

5.24. Changes to Assessment Records

All changes to postal address of ratepayer/owner, changes of ownership of a property and changes to ratepayer/owner name must be notified promptly to Council in writing.

6. Further Information

This policy will be available for inspection at the Council office listed below during ordinary business hours and provided to interested parties as per Council's Fees and Charges Register. Copies are available to be downloaded, free of charge, from Council's website: www.yankalilla.sa.gov.au/policies

District Council of Yankalilla
1 Charles Street
Yankalilla 5203

Phone: (08) 8558 0200

Fax: (08) 8558 2022

Email: council@yankalilla.sa.gov.au

Office hours: Monday to Friday, 9.00am to 5.00pm (except public holidays)

7. Grievances

Any grievances in relation to this policy or its application should be forwarded in writing addressed to the Chief Executive Officer of Council.

8. Review Cycle

This document is subject to review in four (4) years from the date of authorisation.

9. Document History

Date	Version	Council Resolution No.	Description of changes
21/06/2022	1.0	C22113	Adoption of Policy – New Policy, replaced previous Strategic Rating Policy