



4. ADMINISTRATION POLICIES

4.1 FINANCE

4.1.13 Rates Exemption

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 on the payment of rates whilst ensuring an equitable distribution of rating is achieved across the community.

In accordance with the Local Government Act 1995, section 6.26 certain institutions are exempt from rates and charges where they meet the specific criteria of that section of the Act, without referral to Council. By meeting the specified criteria the entity is deemed eligible for rate exemption.

BACKGROUND AND ISSUES

Exemptions from Rates

Section 6.26(2) sets out a number of land uses that are not rateable including religious and educational uses. Paragraph (g) provides that the following land is not rateable land:

"land used exclusively for charitable purposes"

The Act does not define the terms "charitable purposes" or "exclusively". Hence it is at the discretion of the Shire to interpret whether an organisation is deemed to offer charitable purposes.

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 Shire of Manjimup.

The Council requires Not-for-Profit or Charitable 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.

Rates and Charitable Land Use Exemption Applications – Best Practice Guideline, published collaboratively by the WA Rates Officer's Association and WALGA provided guidance in developing this policy.

AREA OF APPLICATION

Whole of the Shire of Manjimup

POLICY MEASURES

Application of the Policy

The Not-for-Profit or Charitable organisation's activities and purposes must

- Provide relief for the poor, the distressed, or the underprivileged;



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- Provide advancement of education or religion open to all members of the public and not subject to invitation; or
- Provide a benefit to the community.

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 NFP community group, then the property owner will be considered for a 30% rate exemption.

1. All applications for rates exemption under s6.26 of the Local Government Act 1995 must be in writing on the prescribed form and contain a declaration as to the accuracy of the information contained therein.
2. Rates and charges must be paid in full at the time application is made. A refund may be made available if the application is successful.
3. An application for an exemption is only applicable to rates, and not to service charges or the Emergency Services Levy.
4. Applicants need to provide clear and concise information regarding the nature of their activities to illustrate eligibility for the exemption to facilitate Council's decision making.
5. The application will be assessed and if the application meets the criteria (listed below) to be considered as outlined in the Application for Exemption form, attached to this policy, a report will be presented to Council.
 - The applicant must be an incorporated Not-for-Profit organisation.
 - The applicant must own the property on which rates are levied.
 - The applicant must not operate any commercial operation from the property.
 - The applicant does not hold a liquor licence for the provision of alcohol for sale to the public for profit.
6. In accordance with section 6.26 of the Local Government Act 1995, The Council will consider granting the exemption based on the criteria in the report.
7. All exemptions are subject to annual review by Council through the annual budgeting process.
8. The granting of a rate concession/waiver by Council in any year, will not guarantee that any future concessions/waivers will be granted. All concessions/waivers are subject to annual review.
9. Council may request information from an organisation on a yearly basis if Council considers this appropriate.
10. Council may request additional information from an organisation making application if it considers it necessary to do so.
11. Information requested under paragraph 10 above is not limited to, but typically includes copies of the Constitution of the organisation, recent financial statements of the organisation and information demonstrating precisely how any land the subject of the application is used.
12. The Council decision will be actioned by the officers and a note will be made against the property assessment.



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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 Shire 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.

OUTCOMES

The policy provides an equitable basis to assess applications for Rate Exemptions that is compliant with legislation.

ADOPTED 10 SEPTEMBER 2015

REVIEWED 14 NOVEMBER 2019

NEXT DUE FOR REVIEW SEPTEMBER 2023

The Administration of this Policy is by Statutory and Corporate Services.



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4.1.13 **Rates Exemption**

SHIRE OF
MANJIMUP

APPLICATION FOR RATES EXEMPTION
Section 6.26 Local Government Act 1995

Privacy

The personal information collected on this form will only be used by the Shire of Manjimup for the sole purpose of providing requested and related services. Information will be stored securely by us will not be disclosed to any third parties without your express written consent.

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This application form is to be used by organisations seeking exemption from rates, pursuant to the provisions of Section 6.26 of the Local Government Act 1995. In doing so you are objecting to the rate book under Section 6.76 of the Local Government Act 1995. The application for exemption will be checked based on the information you have provided, and you will be advised of the outcome in due course. Please attach any additional documents requested, as failure to do so may result in the application being refused.

Please note that where exemption from rates is approved, the property will still be subject to the Emergency Services Levy and any other service fees or charges, if applicable, such as rubbish collection charges. All properties granted exemption from rates are subject to periodic reviews to ensure continued approval.

Instructions: Please print clearly in the spaces provided.

1. PROPERTY ADDRESS DETAILS

Street Address

Suburb

Rates Assessment Number (if known)

2. WHAT IS THE CURRENT USE OF THE PROPERTY? Please provide full details:

3. PROPERTY OWNER DETAILS

Organisation:

Property

Owner:

If different to above

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Postal Address:

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Telephone:

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Postcode:

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Mobile:

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Facsimile:

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E-mail:

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4. APPLICANT DETAILS

Contact Person:

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Position Title:

--

Postal Address:

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Telephone:

--

Postcode:

--

Mobile:

--

Facsimile:

--

E-mail:

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5. ORGANISATION INFORMATION

Is/does the organisation:

An incorporation body as per the Associations Incorporations Act 1987 (WA)?

Yes

No

If yes, provide a Certificate of Incorporation

Provide an extract of the relevant certificate from ACNC.

Yes

No

Have a tax exemption from Australian TAX Office (ATO)?

Yes

No

If yes, provide a certificate of tax exemption for the ATO

Leasing the property?

Yes

No

If yes, provide a copy of the lease and confirm if the lessee is responsible for payment of rates

Have planning approval for the land use of the property?

Yes

No

A site inspection may be required before the application is processed

6. DOCUMENTATION REQUIREMENTS

Please provide a copy of (in addition to those specified in Section 4):

Organisation's Constitution

Written statement outlining the nature of the Organisation's operations.

It should include the following details:

- Confirm the grounds upon which an objection is being made to the rate record under Section 6.76 of the Local Government Act 1995
- Confirm the grounds upon which the exemption application applies under Section 6.26 of the Local Government Act 1995

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- Use and occupancy of the land, inclusive of date of commencement
- Type of service provided (e.g. food, accommodation etc)
- Frequency of service provision (e.g. full-time, daily, weekly etc)
- Whether payment is received for the service
- If there is commercial activity conducted on the land, provide details of the activity and if revenue is raised, where it is disbursed

A plan of the property, showing all buildings and outbuildings

OR

A floor plan of the leased property area, if only part of the property is the subject of this application

A copy of the current years audited financial statements for the Organisation
(If this exemption applies to only a portion of land owned by this Organisation, provide the relevant statements for the land this application applies to.)

7. AUTHORISATION

By signing this application, I hereby certify that the information provided is true and correct to the best of my knowledge.

Name:

Position:

Organisation:

Signature of Applicant:

Date:

OFFICE USE ONLY

1. CONSIDERATIONS

Approval with Town Planning Scheme?

YES

NO

Has the property been inspected?

YES

NO

Recommend for non-rateable status?

YES

NO

Applicant/Owner Name: _____

Section of the Local Government Act 1995 6.26(2) _____

Exemption Description: _____

Reason for non-rateable status:

New Application

Review of Exemption

Amount of rates to be exempted and dates to be applicable from (application date). The approval will be for a period of _____ years, unless circumstances change.

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Amount _____ Date (from): _____

Rubbish bin changes to be levied and dates to be applied from:

Amount: _____ Date (from): _____

2. DECISION UNDER DELEGATED AUTHORITY

This application has been:

DECLINED for
Non-rateable status

APPROVED for partial
non-rateable status

APPROVED for
non-rateable status

Name:			
Signature:		Date:	

OR

Council Resolution Reference: _____

Date of Council Meeting: _____