
FINANCE POLICIES

Concessions on Commercial & Farming Properties Occupied by Pensioners / Seniors



Policy Number:	F7
Relevant Delegation:	Not Applicable
Adoption Details:	24 July 2017
Last Review Details:	25 November 2019

POLICY OBJECTIVE:

To set the method of calculation for pensioner rebates on properties where there is a curtilage, or dual/commercial use.

POLICY SCOPE:

This policy applies to the Finance Manager, Finance Officer (Rates and Debtors) and affected ratepayers.

POLICY STATEMENT:

INTRODUCTION

NEXT HEADING LEVEL

Section 28(2) of the *Rates and Charges (Rebates and Deferments) Act 1992* provides that:

“Where although land is used as the ordinary place of residence of an applicant or registered person it is not the sole use of that land, the administrative authority may apportion the prescribed charge, and any rebate allowable, according to —

- (a) the extent to which the land is so used as a place of residence; and*
- (b) any other use,*

on a basis proportionate to the respective uses.”

This provision enables an administrative authority (the Shire of York) to allow a concession, in an equitable way, to the part of the rates levied relating to the residential use of a commercial property, if the circumstances warrant. For example, if a pensioner resides in a house that is on land also used for cropping.

This policy was created to identify the method that the Shire of York will use to calculate the pensioner rebate on curtilage/dual use properties.

PRINCIPLES

Concessional rebates are applied in a fair and equitable manner for all concessional ratepayers.

PROVISIONS

PROVISION OF A PROPORTIONATE REBATE

A rebate shall only be applied if the resident has demonstrated they are entitled to such rebate by completing the appropriate application form, including provision of their concession details.

The Finance Officer is to verify the concession entitlement using the Centrelink Confirmation eServices for businesses, and the ratepayer's ownership of the property using a Landgate title search.

If the ratepayer is eligible the Finance Officer is to use the following method to calculate the rebate to be applied:

Finance Officer is to ascertain area of property that is solely used for residential purposes. This involves consultation with the applicant as well as mapping tools.

The rates levied are to be portioned based on the respective areas:

$$\left(\frac{\text{Area used for residential purposes only (Ha)}}{\text{Total area of property (Ha)}} \right) \times \text{Rates Levied (\$)} = \text{Portion of rates on which a concession can be applied(\$)}$$

For example, if the rates levied are \$2,000, the total property area is 60 Ha and the area solely used for residential purposes is 5 Ha the rates on which a concession would be applied is as follows:

$$\frac{5}{60} \times 2000 = 166.67$$

The concession is to be applied on \$166.67.

If the ratepayer is a pensioner, and they are entitled to a 50% rebate, the rebate amount to be claimed from the Office of State Revenue would be \$83.33, calculated as follows:

$$166.67 \times 0.50 = 83.33$$

If the area used for residential purposes cannot be determined, then an arbitrary two (2) hectares is to be used as permitted by the Office of State Revenue.

The Finance Manager is to ensure compliance with this policy.

PENALTIES:

Not applicable.

KEY TERMS/DEFINITIONS:

Not applicable.

Responsible Officer: Executive Manage Corporate & Community Services
Contact Officer: Finance Manager
Relevant Legislation: *Rates and Charges (Rebates and Deferments) Act 1992* – Section 28(2)
Relevant Documents: Procedural Manual, as at July 2016, Issued under the *Rates and Charges (Rebates and Deferments) Act 1992*. Department of Finance, Office of State Revenue.

Review History:

Date Review Adopted:	Resolution Number
Adopted – 24 July 2017	
Reviewed - 25 November 2019	291119
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