



Gladstone Regional Council

Council Policy

Title	PROPERTIES EXEMPT FROM GENERAL AND DIFFERENTIAL RATES
Policy Number	P-2020-07
Business Unit/s	FINANCE GOVERNANCE AND RISK
Date of Adoption	07 JULY 2020
Resolution Number	S/20/4236
Review Date	07 JULY 2021
Date Repealed	

1.0 PURPOSE:

To identify properties for which Gladstone Regional Council (Council) has exercised its discretion to grant an exemption from general rates (including differential general rates), under the provisions of the *Local Government Act 2009* and the *Local Government Regulation 2012*.

2.0 SCOPE:

This policy applies to the categories of properties identified in section 6 of this policy.

3.0 RELATED LEGISLATION:

- *Local Government Act 2009*;
- *Local Government Regulation 2012*.

4.0 RELATED DOCUMENTS:

Nil.

5.0 DEFINITIONS:

To assist in interpretation of this policy the following definitions apply:

“Community Club Licence” means a liquor licence granted to a non-proprietary club such as a sporting club, RSL club or ethnic club. The *Liquor Act 1992* defines a non-proprietary club as an association where any income, profits and assets are used only to promote its objects and are not distributed to its members.

“General Rates (including Differential General Rates)” as defined under section 92(2) of the *Local Government Act 2009*:

'General rates are for services, facilities and activities that are supplied or undertaken for the benefit of the community in general (rather than a particular person).

Example—

General rates contribute to the cost of roads and library services that benefit the community in general.'

“Regulation” means the *Local Government Regulation 2012*.

“Sporting Clubs” means sporting bodies that are not-for-profit and provide sporting facilities and opportunities for the public to engage in sports.

Used for Charitable Purposes means land used by an organisation that has the following traits;

- have a constitution that sets out its charitable objectives and operating rules;
- be an association of 3 or more people (the association does not need to be an incorporated association);
- have a ‘governing body’ that has control of the management of the association; and
- have a clause in its constitution that states it is not-for-profit (unless its membership consists only of charities).

The organisation must use its income and property to promote its objectives. It must not:

- distribute its income and property among members; and
- pay dividends to members (unless the members are charities).

6.0 POLICY STATEMENT:

Under section 93(3)(i) of the *Local Government Act 2009* Council can exercise its discretion, by resolution, to exempt properties from general rates (including differential general rates) where Council considers that such properties are used for charitable purposes.

Where Council resolves to exercise this discretion, such exemptions are in addition to those set out under section 73 of the *Local Government Regulation 2012*. The Regulation makes provisions for certain types of properties which are used for the general public good, to be exempt from paying general and differential rates. This is generally land used for facilities such as hospitals, schools, health and community service related activities, and for religious purposes.

Council has identified land that is used for charitable purposes that is not captured by the exemptions under the Regulation and will apply its discretion to grant such properties an exemption from general rates (including differential general rates).

Council is of the view that land is being used for charitable purposes when:

- land is being used for a purpose which has a public service element; **and**
- the purpose of use is being conducted on a not-for-profit basis.

The table below identifies the level of exemption to be applied and the basis of the provision of the exemption to be applied under this policy:

Exemption Category	% Exempt from General Rates	Provision
1	100%	<p>Sporting clubs and other not-for-profit community organisations that occupy Council owned/leased/controlled land without a gaming licence and with or without a community club licence.</p> <p>Not-for-profit community organisations that own private property, without a gaming licence and without a community club licence, that would otherwise be exempt from rates under section 93(3)(i) of the <i>Local Government Act 2009</i> and section 73 of the <i>Local Government Regulation 2012</i>.</p>
2	75%	<p>Sporting clubs and other not-for-profit community organisations that own private (freehold) property with a community club licence and without a gaming licence.</p>

7.0 ATTACHMENTS:

Nil.

8.0 REVIEW MECHANISM:

This policy will be reviewed when any of the following occur:

1. The related legislation or governing documents are amended or replaced; or
2. Other circumstances as determined by resolution of Council or the CEO; or
3. Annually in preparation for budget adoption.

TABLE OF AMENDMENTS

Document History	Date	Council Resolution No.	Notes (including the prior Policy No, precise of change/s, etc)
Originally Approved	04 August 2009	09/446	
Amendment 1	18 March 2014	G/14/1926	
Amendment 2	21 June 2016	G/16/2824	
Amendment 3	06 June 2017	G/17/3065	
Amendment 4	19 June 2018	G/18/3436	Formerly Policy P-2017-15
Amendment 5	18 June 2019	G/19/3816	Formerly Policy P-2018-18
Amendment 6	07 July 2020	S/20/4236	Formerly P-2019-11.

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