

Gladstone Regional Council

Council Policy

Title	GENERAL AND DIFFERENTIAL RATES EXEMPTIONS AND CONCESSIONS
Policy Number	P-2021-16
Business Unit/s	FINANCE GOVERNANCE AND RISK
Date of Adoption	15 JUNE 2021
Resolution Number	S/21/4528
Review Date	15 JUNE 2022
Date Repealed	

1.0 PURPOSE:

To identify properties for which Gladstone Regional Council (Council) has exercised its discretion to grant an exemption or concession 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 charitable organisations, land that is primarily used for showgrounds or horseracing, and sporting clubs and other not-for-profit organisations that meet the requirements of this policy.

3.0 RELATED LEGISLATION:

- *Collections Act 1966*;
- *Human Rights Act 2019*;
- *Local Government Act 2009*; and
- *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.

“Community Organisation” means an entity that carries out activities for a public purpose and an entity whose primary object is not directed at making a profit.

“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 a Charitable Organisation for a Charitable Purpose.

Charitable Purpose means any one or more of the following purposes:

- the supplying of help, aid, relief, or support to, or the education or instruction (whether spiritual, mental, physical, technical, social, or otherwise) of, or the care, housing, or assistance otherwise of, any persons in distress; and
- the aiding in any manner howsoever, of any hospital or ambulance or nursing service in the Gladstone Region, whether established or proposed to be established.

Charitable Organisation means an organisation which:

- has a constitution or rules that:
 - includes only Charitable Purposes which must be in the public benefit;
 - includes a clause that states it is not-for-profit (unless its membership consists only of charities); and
 - states that the assets and income of the organisation are applied solely to further its objects and no portion shall be distributed directly or indirectly to the members of the organisation except as genuine compensation for services rendered or expenses incurred on behalf of the organisation;
- is an incorporated association or a company limited by guarantee;

For clarity, the organisation is not a Charitable Organisation if it:

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

6.0 POLICY STATEMENT:

6.1 Land Exempt from Rates under section 93(3)(i) of the *Local Government Act 2009*

Pursuant to section 93(3)(i) of the *Local Government Act 2009* Council can exercise its discretion, by resolution, to exempt land from general rates (including differential general rates) where Council considers that such land is 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 land must be being used for a charitable purpose and the organisation using the land must be a charitable organisation. Further, the charitable organisation must be the owner or lessee of the land and be able to demonstrate that it is responsible for payment of the rates levied.

The level of exemption to be applied and the basis of the provision of the exemption to be applied under this policy is outlined in section 6.4.

6.2 Land Exempt from Rates under section 93(3)(h) of the *Local Government Act 2009*

Pursuant to section 93(3)(h) of the *Local Government Act 2009* Council can exercise its discretion, by resolution, to exempt land from general rates (including differential general rates) where the land is primarily used for showgrounds or horseracing.

In accordance with section 93(3)(h) of the *Local Government Act 2009*, Council will grant an exemption of all or part of the rates where the land is primarily used for showgrounds or horseracing. The level of exemption to be applied and the basis for the provision of the exemption to be applied under this policy is outlined in section 6.4.

6.3 Concession from Rates under section 120(1)(b) of the *Local Government Regulation 2012*

Pursuant to section 120(1)(b) of the *Local Government Regulation 2012* Council can exercise its discretion and grant a concession if it is satisfied that the land is owned by an entity whose objects do not include making a profit.

The organisation must be the owner or lessee of the land and be able to demonstrate that it is responsible for payment of the rates levied.

In accordance with section 121(a) of the Regulation, Council will grant a concession of all or part of the rates to sporting clubs and other not-for-profit community organisations as outlined in section 6.4.

6.4 Exemption and Concessions to be Granted

Category	% Exempt from General Rates or % Concession from General Rates	Provision
1	100%	<p>Charitable organisations, 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>Charitable organisations that own private (freehold) 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> <p>Sporting clubs and not-for-profit community organisations that own private (freehold) property, without a gaming licence and without a community club licence.</p>
2	75%	<p>Charitable organisations, 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.
Amendment 7	15 June 2021	S/21/4528	Formerly P-2020-07.

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