



# ADJUSTMENT OF RATES FOLLOWING A CHANGE IN CATEGORY OF LAND

## Version 2

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<b>Responsible Officer:</b>	Group Manager Finance & Administration
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<b>File Number:</b>	117/1

### Policy History

Version	Date Approved	Description of Changes
1	23/8/1994	New policy adopted
2	25/1/2011	Clarification of policy statement & update of legislative references

## Objectives

The objective of this policy is to establish guidelines in relation to the adjustment of rates following a change in category of land for rating purposes.

## Scope

This policy applies to all rateable land within the Maitland Local Government Area.

## Relevant Legislation

Local Government Act 1993

## Related Policy/Procedures/Protocols

Nil

## Definitions

Nil

## Policy Statement

Section 493 of the Local Government Act 1993 provides for four (4) categories of an ordinary rate and 4 categories of rateable land:

- Farmland
- Residential
- Mining
- Business

These categories may be divided into sub-categories in accordance with section 529 of the Local Government Act 1993. Maitland City Council currently uses the following rating sub-categories:

- Farmland High Intensity
- Farmland Low Intensity
- Residential Urban
- Residential Non-Urban
- Business Ordinary
- Business Rutherford
- Business Thornton
- Business Metford/East Maitland
- Business Green Street, Telarah

A change in the rating category declared for a parcel of rateable land may occur for one of the following three reasons:

### Section 524 of the Local Government Act 1993

*A rateable person (or the person's agent) must notify the council within 30 days after the person's rateable land changes from one category to another.*

### Section 523 of the Local Government Act 1993

*A council ... may review a declaration:*

*(a) as part of a general review of the categorisation of all or a number of parcels of land; or*

*(b) because it has reason to believe that a parcel of land should be differently categorised.*

Section 525 of the Local Government Act 1993

*A rateable person (or the person's agent) may apply to the council at any time:*

*(a) for a review of a declaration that the person's rateable land is within a particular category...; or*

*(b) to have the person's rateable land declared to be within a particular category...*

If the rating category declared for a parcel of rateable land is changed, section 527 of the Local Government Act 1993 states:

*A council must make an appropriate adjustment of rates paid or payable by a rateable person following a change in category of land.*

**Appropriate Adjustment of Rates**

An appropriate adjustment of rates is deemed to be:

- Where a change of category is notified or applied for by the ratepayer (or their agent) within 14 days of the date of service of the annual rates and charges notice any adjustment of rates is to be effected from the 1 July in that current financial year.
- Where a change of category is notified or applied for by the ratepayer (or their agent) other than within 14 days of the date of service of the annual rates and charges notice any adjustment of rates is to be effected from the date of the written notification or application to council by the ratepayer (or their agent).
- Where a change of category is as a result of a review of the category by council under section 523 of the Local Government Act 1993 any adjustment of rates is to be effected from the date of the review of the rating category by council or the date that council first had reason to believe that the parcel of land should be differently categorised.

Any adjustment to rates applied as detailed above will affect the amount due and payable by the ratepayer from the next quarterly instalment due for that parcel of rateable land.