



Each year South Australian Councils provide assistance to pensioner concessions and self funded retirees through State funded concessions. Additional assistance is available to ratepayers through mandatory and discretionary rebates, remissions and postponement of rates.

Pensioner concessions

Over the past 40 years the state government has funded councils to provide a rebate on council rates to eligible concession card holders and were automatically deducted. As of 1 July 2015 the state government elected to replace the concession on council rates with the 'Cost of Living Concession' provided directly to those entitled.

This means that concession card holders will no longer receive a rebate on council rates.

Questions regarding the CLC and to check eligibility please contact the Department for Community and Social Inclusion - Concessions Hotline directly on 1800 307 758 or go to www.sa.gov.au for further information.

We encourage recipients to use the CLC payment to assist in the payment of your council rates.

The separate concession entitlements for Council Community Waste Water Schemes (CWMS) remain unchanged. Should you be entitled to the state government funded concession on CWMS rates this will be reflected on the front of this rate notice.

Postponement of the council rates

The postponement of council rates allows a ratepayer who holds or is in the process of applying for a State Seniors Card to postpone a portion of their rates if the property is their principal place of residence and if no other person other than their spouse has an interest as owner of the property.

The portion of rates which is postponed is payable when title to the relevant land is transferred to another person (eg sold), or there is a failure to comply with a condition that is imposed by Regulations under the Act.

In postponing rates, at least \$500 of the total annual bill must be paid. The minimum amount of \$500 will be reduced by any State Seniors card concession and/or council remissions if applicable unless agreed otherwise.

Postponement of rates example calculation:

Total rates amount	\$1,500.00
Minimum amount payable	\$ 500.00
<u>Payment due</u>	<u>\$1,000.00</u>
	(\$125.00/quarter)
Total amount postponed	\$1,000.00

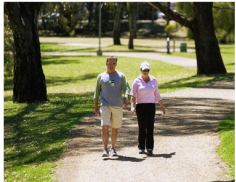
Interest is calculated and compounded monthly on the postponed rates debt. The interest rate is prescribed by the Act and is amended annually on 1 July in line with general movements in interest rates.

A Council services story: On Saturday morning, you wake up and decide to cycle down the road to the beach for a quick swim and take a walk along the jetty. Heading home along the bike-path, you decide to stop by your local library and browse on the internet and check out that book you have been meaning to read. Later on you head down to the local oval to watch a game of footy and use the community grill to have a BBQ with a few friends as the kids play on the playground in the park nearby.



Interest on postponed Council rates example calculation

The amount of Mr Senior's council rates amount for the 2016-2017 rating period is \$1,500.00. He must pay a minimum of \$500 and postpones the remaining balance of \$1,000.



Mr Senior pays the \$500 over four quarterly instalments.



The interest charge on the \$1000 rates postponed for the 2016-17 Rating Period will be, say, 4.0% per annum or 0.33333% monthly (that is, 4.0% divided by 12). Interest will be compounded on a monthly basis. At the end of June 2017 the amount of interest accrued on the postponed rates amount of \$1,000 will be \$40.74, and the total amount of the postponed rate debt as at that date will be \$1,040.74.



If Mr Senior decides to postpone rates in the subsequent year, the interest charge would be applied to \$1040.74 (the initial \$1,000 rate postponed plus \$40.74 interest accrued in the 2017-18 rating period) plus the amount or rates postponed in the 2017-2018 rating period.



Remissions of council rates

Ratepayers experiencing ongoing or extreme financial hardship may apply to their council for a remission of rates and charges.

Council outlays (Operating and Capital) by function

Each application is considered on its own merits and is assessed subject to evidence of ongoing extreme hardship criteria determined by each council. The LGA also has developed assessment of hardship guidelines to assist Councils.

Mandatory/discretionary council rates rebates

The *Local Government Act 1999* provides for mandatory and discretionary rebates for rates in certain circumstances. The Act stipulates where rebates are a mandatory requirement while further provisions allow for councils to determine discretionary rebates.

Mandatory rebates provide partial or full rebates on council rates to various organisations, associations and institutions. Sections 159-165 of the Act lists those that must receive rebates and include:

- health services;
- community services;
- religious purposes;
- public cemeteries; and
- educational purposes.

Individual councils may provide discretionary rebates under Section 166 of the Act. These rebates often are based on ratepayers' ability to pay.

For the 2015-16 financial year, councils provided over \$33.3 million in rate mandatory and discretionary rebates.

