
Revenue - Pensioner Rates and Charges - Arrears and Interest

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1. PURPOSE

To articulate Council's position in relation to the charging of interest and collection of arrears of pensioners' rates and charges and ensure the Revenue Management Unit has clearly documented guidelines.

2. STATEMENT

This policy statement is based on Council Minute 15.421 and replaces previous minutes of Council 89.282, 89.534, 95.1314, and 01.15. In accordance with the minute 15.421 Council will allow the recovery of rates and charges for pensioners who became eligible on or after 1 July 2015 in conjunction with Council's Revenue - Debt Recovery Policy.

In this policy, **eligible pensioner** has the same meaning as that defined in the Local Government Act 1993 and Local Government (General) Regulation 2005:

"eligible pensioner", in Division 1 of Part 8 of Chapter 15, in relation to a rate or charge levied on land on which a dwelling is situated means a person:

- (a) who is a member of a class of persons prescribed by the regulations, and*
- (b) who occupies that dwelling as his or her sole or principal place of living.*

134 Eligible pensioners for the purpose of determining pensioner concessions – prescribed classes

For the purposes of paragraph (a) of the definition of "eligible pensioner" in the dictionary of the Act, the following classes of persons are prescribed:

(a) persons who receive a pension, benefit or allowance under Chapter 2 of the Social Security Act 1991 of the Commonwealth, or a service pension under Part III of the Veterans' Entitlements Act 1986 of the Commonwealth, and who are entitled to a pensioner concession card issued by or on behalf of the Commonwealth Government,

(b) persons who receive a pension from the Commonwealth Department of Veterans' Affairs as:

- (i) a war widow or war widower within the meaning of the Veterans' Entitlements Act 1986 of the Commonwealth, or*
- (ii) the unmarried mother of a deceased unmarried member of the Australian Defence or Peacekeeping Forces, or*
- (iii) the widowed mother of a deceased unmarried member of the Australian Defence or Peacekeeping Forces,*

and do not have income and assets that would prevent them from being granted a pensioner concession card (assuming they were eligible for such a card),

(b1) persons who receive a lump sum mentioned in section 234 (1)(b) of the Military Rehabilitation and Compensation Act 2004 of the Commonwealth or are receiving a weekly amount mentioned in that paragraph, and do not have income and assets that would prevent them from being granted a pensioner concession card (assuming they were eligible for such a card).

(c) persons who receive a general rate of pension adjusted for extreme disablement under section 22 (4) of the Veterans' Entitlements Act 1986 of the Commonwealth, or a special rate of pension under section 24 of that Act,

(d) persons who receive, or who at some point in their life have been eligible for, a Special Rate Disability Pension under the Military Rehabilitation and Compensation Act 2004 of the Commonwealth.

3. PROVISIONS

3.1. Interest on Arrears of Rates and Charges

Eligible pensioners are charged interest in accordance with Council's policy 'Revenue – Overdue Interest Rate'. Council commenced charging interest on outstanding rates and charges for properties owned by eligible pensioners from 30 June 1989.

Interest is not payable on any rates or charges that were outstanding as at 30 June 1989, provided that the property (in respect of which the rates and charges were outstanding at that time) was owned by an eligible pensioner as at 31 December 1988.

In the case of eligible pensioners experiencing hardship, relief may be available under the provisions of POL16/200 Revenue Hardship Policy.

3.2. Deferment of Payment

Eligible pensioners who became eligible before 1 July 2015 are permitted to continue to defer payment of their rates and charges in accordance with previous Council Policy (POL12/142 version 3). However, interest will accrue in accordance with clause 3.1

Pensioners who became eligible for a pension rebate on or after 1 July 2015 will be required to pay rates and charges levied annually.

3.3. Action to Recover Outstanding Rates and Charges

Council will commence action to secure outstanding rates and charges from eligible pensioners who have deferred their rates and charges in accordance with clause 3.3. Such

action to secure overdue rates and charges will only commence after seventeen (17) years and will include issuing a Statement of Claim followed by Default Judgment.

Debt recovery action may be taken against pensioners who became eligible on or after 1 July 2015. Recovery action taken will be in accordance with Council's Revenue - Debt Recovery Policy.

Any pensioner who becomes eligible after 1 July 2015 will receive two Reminder letters and one Final Notice letter prior to the commencement of legal action. Legal action will not commence without the approval of Council by way of a Council Report.

4. IMPLEMENTATION

The Finance Corporate & Community Services Group has responsibility to administer this policy.

5. REVIEW

This policy will be reviewed within one year of the election of every new Council.

6. APPLICATION OF ESD PRINCIPLES

None applicable.