Renmark Paringa Council

Rating Policy

Council Policy

Renmark Paringa Council

Responsible Officer	Manager Financial Services
Relevant Legislation	*Local Government Act 1999* - Chapter 10 *Local Government (General) Regulations 2013 (SA)* - Section 14 *Local Government (Financial Management) Regulations 2011* (SA) – Section 6 LGA Financial Sustainability Information Paper #20: Rating and Other Funding Policy Options Landscape South Australia Act 2019
Adopted	July 2025
Reviewed	May 2026
Next Review	May 2027

Introduction

Councils are required to raise revenue for governance, administration and the delivery of goods and services to the community.

Council's major source of revenue is Rates, derived as a tax on land within the Council area. All ratepayers receive benefits from paying rates, but those benefits are consumed in different quantities and types over the life of the ratepayer.

This document sets out the policy of the Council ("Council") for setting and collecting rates from its community.

Rates are not fees for services. They constitute a system of taxation for Local Government purposes. Local Government functions are defined broadly in the Act.

Purpose

Chapter 10 of the Local Government Act 1999 ("the Act") prescribes Council's powers to raise rates. Section 123 of the Act requires Councils, as part of the Annual Business Plan, to have a rating policy which must be prepared and adopted each financial year in conjunction with the declaration of rates.

Scope

In determining a suitable Rating Policy, Council has taken into consideration the following adopted documents:

- Community Plan
- Annual Business Plan and Budget
- Long Term Financial Plan

Policy Statement

Communication of the Policy

Section 123 of the Local Government Act 1999 requires a Council to prepare an Annual Business Plan and Budget. As per Section 123 (2)(d) of the Act, the Annual Business Plan must set out the rates structure and polices for the financial year. A summary of the Annual Business Plan must be included with the first rates notice.

Council's Duties and Powers

Council's powers to raise rates are found in Chapter 10 of the Local Government Act 1999 . The Act provides the framework within which the Council must operate and provides the rating options available.

All land within a council area, except for land specifically exempt (e.g. Crown land, Council occupied land and other land prescribed in Section 147 of the Local Government Act 1999), is rateable.

The Local Government Act 1999 provides for a council to raise revenue for the broad purposes of the council. Rates are not fees for services. They constitute a system of taxation for Local Government purposes. In addition to rates, the Council can also raise revenue through:

- Service rates or charges for specific services (eg waste service charge);
- Optional user charges (e.g. hire of community facilities); and
- Expiation fees (e.g. parking infringements);

Principles of Taxation

This Policy represents the Council's commitment to balancing the main principles of taxation:

Benefits received (services available, or resources consumed)

Reliance on this principle suggests that (all other things being equal) a person who received more benefits should pay a higher share of tax. The relative benefits received/available per property are effectively factored into property values.

Capacity to pay

This principle suggests that a person who has less capacity to pay should pay less; and that persons of similar means should pay similar amounts.

Administrative simplicity

This principle refers to the costs involved in applying and collecting the tax and how difficult it is to avoid.

Economic efficiency

This refers to whether or not the tax distorts economic behaviour.

Policy consistency

The principle that taxes should be internally consistent, and based on transparent, predictable rules that are understandable and acceptable to taxpayers.

Valuation of Land

A council is permitted to adopt the following valuation methodologies to value the properties in its area:

> **Capital Value** – the value of the land and all the improvements on the land. The value reflects, among other things, the relative availability of and access to Council services. This applies to all types of land use, and to land in all locations.
> **Annual Value** – a valuation of the rental potential of the property.

The Council will continue to use capital value as the basis for valuing land. The Council considers that this method provides the fairest way to distribute the rate burden across all ratepayers on the following basis:

- the 'capacity to pay' principle of taxation requires that ratepayers of similar wealth pay similar taxes and ratepayers of greater wealth pay more tax than ratepayers of lesser wealth;
- property value is a relatively good indicator of wealth (when lifetime incomes, including incomes from capital gains, are taken into account). Capital value, which closely approximates the market value of a property, provides the best indicator of overall property value.

The Council will adopt the most recent valuations made by the Valuer - General at the time of the annual declaration of rates.

Objection to Valuation

If a ratepayer is dissatisfied with the valuation made by the Valuer -General then the ratepayer may object to the valuation referred to in the rate notice by writing served personally or by post on the Valuer – General within 60 days after the date of service of the notice, provided they have not:

(a) previously received a notice or notices under the Local Government Act 1999 referring to the valuation and informing them of a 60 -day objection period, the objection period is 60 days after service of the first such notice; or

(b) Previously had an objection to the valuation considered by the Valuer -General.

The Valuer -General may extend the 60 -day objection period where it can be shown that there is reasonable cause to do so by a person entitled to make an objection to a valuation.

Objections can be submitted to the Office of the Valuer -General via:

Online: www.valuergeneral.sa.gov.au

Email: OVGobjections@sa.gov.au

Post: GPO Box 1354, Adelaide 5001

In Person: Land Services SA, Level 9, 101 Grenfell Street, Adelaide

Council has no role in this process. The lodgement of an objection does not change the due date for the payment of rates. Pursuant to the provisions of the Local Government Act 1999, Council shall refund any rate amount overpaid as a result of an objection, review or appeal in respect of a valuation.

Notional Values

Certain properties may be eligible for a “notional value” under the Valuation of Land Act 1971. This may apply if the property is the principal place of residence, and its value is enhanced by unrealised subdivision potential or a different potential land use. A notional value is generally less than the capital value and therefore would result in reduced rates.

Application by the ratepayer for a notional value must be made to the Office of the Valuer -General.

Council Rates

Fixed Charge

Section 152 of the Act provides for a fixed charge component of rates and establishes a limit of 50% of a council’s rate revenue to be generated from a fixed charge.

To the extent that many (though not all) Council services are provided and available relatively uniformly to all ratepayers, and that property values vary because of a range of factors (not just the relative extent of Council services) the Council considers it is equitable, from the perspective of the benefit principle, to share the costs of services by way of a

uniform fixed charge, set at an appropriate level. However, applying the benefit principle exclusively would not take account of the capacity to pay principle.

Accordingly, to appropriately balance both the benefit principle and the capacity to pay principle, the Council's policy is to limit the amount collected by a fixed charge to approximately 25% of general rate revenue to illustrate weighting of capacity to pay and benefits received.

Where two or more adjoining properties have the same owner and occupier, only one fixed charge is payable by the ratepayer. Only one fixed charge applies to a single farm enterprise.

The amount of the fixed charge is indicated on the rates notice.

Differential Rates

In addition to the use of a fixed charge, Council has declared differential general rates in the dollar according to the use of the land.

The *Local Government Act 1999* allows councils to differentiate rates based on the use of the land, the locality of the land or on both the use and locality of the land. The categories of land use are defined by the *Local Government (General) Regulations 1999*.

The Council has adopted the following differential rates:

Land Use	Differential Rate %	Rationale
Residential	100%	The residential rate is set as the base differential from which all other differentials are measured. This category receives no loading or discount, reflecting a standard level of service consumption
Commercial/Industrial	170%	The 170% differential represents fairness and competitive neutrality while still recognising the category's higher service impact.
Primary Production	120%	The 120% differential recognizes infrastructure demand while moderating the burden to avoid disproportionate impacts on the viability of farming operations.

Vacant Land	300%	Given the expected increase in vacant allotments as new developments are released, a 300% differential ensures equity and discourages long-term land banking.
Other	100%	This category receives no loading or discount, reflecting a standard level of service consumption.

To reduce the rate shock of these changes to differential percentages a 5 year phasing approach has been used. This is detailed in the table below:

Year	**YR 1 – 2027FY**	**YR 2 – 2028 FY**	**YR 3 – 2029 FY**	**YR 4 – 2030 FY**	**YR 5 – 2031 FY**
Fixed Charge	25%	25%	25%	25%	25%
Commercial /Industrial	192%	186%	180%	174%	170%
Primary Production	141%	136%	131%	126%	120%
Vacant Land	300%	300%	300%	300%	300%

The land use attributed to a property is provided by the Office of the Valuer-General. If a ratepayer is of the opinion that a particular land use has been wrongly attributed to the ratepayer's land by the council for the purpose of levying differential rates, the ratepayer may object to the attribution of that land use.

Council is responsible for accepting objections to land use. The objection must be lodged in writing and directed to the Council within 60 days of being notified of the land use.

Lodgement of an objection does not change the due date for the payment of rates.

Regional Landscape Levy

The Regional Landscape Levy is a State Government levy collected by Council on behalf of the relevant regional landscape board in accordance with legislative requirements. Council does not retain any of the funds collected and has no control over how the levy revenue is allocated or expended.

The levy is payable by rateable property owners and is calculated based on the capital value of rateable land. Council recovers the amount determined annually by the relevant regional landscape board through a separate rate in the dollar applied to property capital values.

Service Charges

Section 155 of the Act allows a Council to impose a service charge on rateable and non-rateable land within its area for a prescribed service. A prescribed service is described as treatment or provision of water, collection, treatment or disposal of waste, a television transmission service or any other service prescribed by the regulations for the purposes of this definition.

Council has adopted the following service charges:

Waste Collection

Council levies a service charge for the kerbside collection and disposal of domestic garbage, recyclables and garden organics (3 bin service), within the Renmark, Lyrup and Paringa residential zoned district. The service charge is imposed on rateable and non-rateable land that has a residential dwelling.

Council also levies a service charge for kerbside collection and disposal of domestic garbage and recyclables (2 bin service) within the Renmark, Lyrup and Paringa residential-rural zoned district. The service charge is imposed on rateable and non-rateable land that has a residential dwelling.

Where these services are applicable, they will be shown as a separate charge on the rates notice. Further information on this charge can be found in the Kerbside Waste Management Policy on the Council website.

Community Wastewater Management Systems

Council maintains and manages wastewater schemes and charges for all properties serviced by these schemes. The costs of operating and renewing these services include net operating expenditure, depreciation, return on capital and cost of risk. Council recovers the cost of the service through the imposition of a CWMS service charge per property unit and is shown as a separate charge on the rates notice.

For some properties (including business and commercial premises) the number of units is based on information received from the property/business owner and will be rounded to the nearest whole unit. Retrospective adjustments to prior financial years will not be made when incorrect or no information is provided. More information on this calculation can be found in the Code for Establishing and Applying Property Units as a Factor for the Imposition of Annual Service Charges for Community Wastewater Management Systems on the Council website.

Cost of Living Concessions

Holders of a pensioner concession card, DVA gold card, low income health care card or commonwealth senior health card may be eligible to receive the Cost of Living Concession through the State Government. The Cost of Living Concession replaced the council rate concession and is intended to help those on low or fixed incomes with their cost of living expenses, such as council rates. Information is available at:

Online: www.sa.gov.au/topics/care-and-support/concessions/household-concessions/cost-of-living-concessions

Email: concessions@sa.gov.au

Phone: 1800 307 758 - 9:00 am to 5:00 pm, Monday to Friday

Rate Capping

Pursuant to Section 166 (1)(l)(i) of the *Local Government Act 1999* a rebate can be provided to provide relief against what would otherwise amount to a substantial change in rates payable by a ratepayer due to a redistribution of the rates burden within the community arising from the change in the basis of rating.

Council will determine annually whether a rate cap is to apply. During the 2026-27 Financial Year it is Council's policy stance to not provide a rate cap rebate.

Remission of Rates

The Council has a discretion to partially or wholly remit (i.e. waive) rates on the basis of hardship. If you are suffering financial hardship, you may contact the Council's Rates Administrator to discuss the matter. Such inquiries are treated confidentially, and any application will be considered on its merits. See the Rates Hardship Policy.

Postponement of Rates

Any person holding a State Seniors Card issued by the State Government may make application to Council for a postponement of the prescribed proportion of rates for the current or future financial years.

All applications of postponement will need to be considered in accordance with the relevant legislative provisions.

Mandatory Rebates

The *Local Government Act 1999* requires councils to rebate the rates payable on some land uses.

A 100% rebate must be applied to land used for:

- health services
- religious purposes
- public cemeteries
- the Royal Zoological Society

A 75% rebate (or more, at the Council's discretion) must be applied to land used by:

- community service organisations
- schools and universities

Discretionary Rebates

The *Local Government Act 1999* enables the Council (upon application and subject to certain eligibility criteria) to grant discretionary rebates of up to 100% for land used for the purposes, such as:

- securing proper development of an area
- assisting or supporting a business
- preservation of historically significant places
- facilities or services for children or young persons
- accommodation for the aged or persons with disability
- other purposes

Upon receipt of your application, the Council will take into account:

- why there is a perceived need for financial assistance through a rebate.
- the level of rebate being sought.
- the extent of financial assistance, if any, being provided and/or in respect of the land by Commonwealth or State agencies.
- whether, and if so to what extent, you are or will be providing a service within the Council area.
- whether you are a public sector body, a private not for profit body or a private or profit body.
- the nature and extent of Council services provided in respect of the land, in comparison to services provided elsewhere in the Council's area.
- the community need, if any, that is being met by activities carried out on the land.
- the extent to which activities at the land for provide assistance or relief to disadvantaged persons.
- consideration of the full financial consequences of the rebate for the Council.
- the time the application is received.
- whether you may be eligible for a Council community grant; any other matters and policies of the Council, which the Council considers relevant.

If you or your organisation wishes to apply for a discretionary rate rebate, you may apply by contacting the Council's Rate Administrator.

Payment of Rates

The Council will collect rates quarterly on the dates to be specified on the rates notice, generally in the following months:

- September
- December
- March
- June

Rate notices will be issued quarterly (if balance payable) however the total outstanding balance of rates may be paid at any time.

Rates may be paid via the following methods:

- Online: www.renmarkparinga.sa.gov.au/for-residents/rates/online-payment
- Telephone: Call (08) 8580 3000. You will need the assessment number shown on the front of the notice, the amount you wish to pay and your credit card details. Council accepts Visa and Mastercard credit cards.
- In person: 61 Eighteenth Street, Renmark SA 5341. Mon-Fri 9am to 5pm *closed public holidays
- BPay: Payments may be made through your financial institution using Bpay. Set this up through your internet banking or contact your Financial Institution to assist you with setting this up. See front of rate notice for reference numbers.
- Centrepay: Centrepay is a direct bill paying service offered to customers receiving payments from Centrelink. The rate payment is deducted from your Centrelink payment before it goes into your bank. The minimum payment amount is $10 per fortnight. Call Centrelink on your normal payment number or register online.
- Australia Post outlet: Payments may be made at any Australia Post Office with a "One Stop Bill Pay" service. Rate notice must be presented at the Post Office.

Any ratepayer who may, or is likely to, experience difficulty with meeting the standard instalments and due dates can contact the Council to discuss alternative payment arrangements. Any such contact with Council will be treated confidentially. Fines and interest on overdue amounts will be applied in accordance with the Act.

Late Payment of Rates

The *Local Government Act 1999* provides that Councils impose a penalty of 2% on any late payment for rates, whether instalment or otherwise. A payment that continues to be late is then charged an interest rate, set each year according to a formula in the Act, for each month it continues to be late. Interest charged on late payments is charged on both the amount of the rate arrears and any interest that has previously been imposed. The purpose of this penalty is to act as a genuine deterrent to ratepayers who might otherwise fail to pay their rates on time, to allow the Council to recover the administrative cost of following up unpaid rates and to cover any interest cost the Council may incur because it has not received the rates on time.

The Council imposes late payment penalties strictly in accordance with the *Local Government Act 1999*. The ability to remit penalties in whole or part is a power vested in Council. Each case will be considered on its merit based on the information provided.

When Council receives a payment in respect of overdue rates the Council applies the money received in accordance with Section 183 of the *Local Government Act 1999*, as follows:

- Firstly – to satisfy any costs awarded in connection with court proceedings
- Secondly – to satisfy any interest costs
- Thirdly – in payment of any fines imposed; and
- Fourthly – in payment of rates, in date order of their imposition (starting with the oldest account first).

Outstanding Rates

Council will apply prudent debt collection practices in the recovery of outstanding rates in compliance

with the Act and follow an ongoing assessment of arrears and systematic approach to debt recovery.

In accordance with the provisions of the Act, where an instalment of rates is not paid on or before the

date on which it falls due, Council will:

a) Send a reminder notice to the principal ratepayer with outstanding rate balances advising that payment is overdue;
b) Proceedings for collection of outstanding rate balances after that time may be collected by legal process.

Sale of Land for Non -Payment of Rates

The Local Government Act 1999 provides that a Council may sell any property where the rates have been

in arrears for three years or more. The Council is required to provide the principal ratepayer and the owner

(if not the same person) with details of the outstanding amounts and advise the owner of its intention to

sell the land if payment of the outstanding amount is not received within one month.

Changes to Assessment Records

All changes to postal address of ratepayer/owner and changes of ownership of a property must be notified promptly to Council in writing or via contacting our rates department.

Disclaimer

A rate cannot be challenged on the basis of non-compliance with this policy and must be paid in accordance with the required payment provisions. Where a ratepayer believes that the Council has failed to properly apply this policy it should raise the matter with the Council

Document Control

Version #	Approval Date	Approved by	Amendment
1.0	July 2025	Council	New Policy
2.0	May 2026	Council	Encompassing changes endorsed at the Rating Review. Removal of the discretionary rate cap Further clarity around service charges