



## **RATES REMISSIONS REMISSIONS OF PENALTIES**

### **SECTION 85 LOCAL GOVERNMENT (RATING) ACT 2002**

**(1) A local authority may remit all or part of the rates on a rating unit (including penalties for unpaid rates) if –**

- (a) the local authority has adopted a remission policy under section 122XA of the Local Government Act 1974; and**
- (b) the local authority is satisfied that the conditions and criteria in the policy are met.**

**(2) The local authority must give notice to the ratepayer identifying the remitted rates.**

### **Objective of the Policy**

The objective of the remission policy is to enable the Council to act fairly and reasonably in its consideration of rates which have not been received by the Council by the penalty date.

### **Conditions and Criteria**

The Council may remit the penalty rates where the application meets the following criteria:

1. Automatic remission of the penalties incurred on instalment one and two will be made where the ratepayer pays the total amount due for the year on or before the penalty date of the second instalment.

Automatic remission of the instalment penalties incurred during the year will be made where the ratepayer is paying by quarterly, fortnightly, or weekly arranged payments, and all rates owing have been paid by 30 June.

2. Proportionate remission of an instalment penalty will be considered where payment has been made in accordance with the following time frame, and provided the ratepayer has a good prior payment history. Good payment history takes into account the occasions when ratepayers have paid previous instalments on time.

Penalty proportions remissable are:

- Payment within two weeks of penalty date – 100%
- Payment within four weeks of penalty date – 75%
- Payment within eight weeks of penalty date – 50%
- Payment within twelve weeks of penalty date – 25%
- Payment after twelve weeks of penalty date – 0%

Future penalties may be remitted where a ratepayer makes suitable arrangements for the regular reduction of arrears. Substantial compliance with the payment arrangement is a precondition to penalty remission.

Past penalties may be remitted where a ratepayer has paid all arrears, and has co-operated with Council in taking appropriate steps to reduce the balance outstanding.

Penalties may be remitted where Council is convinced that it would be unfair and unreasonable not to remit the penalties.

3. The Corporate Services Manager has been delegated authority to grant or refuse remissions under this policy.

4. Any appeals against the decision of the Corporate Services Manager will be referred to the Planning and Finance Committee for final determination.