

**AUSTRALIAN CAPITAL TERRITORY**

**RATES AND LAND RENT (RELIEF) ACT 1970**

**NOTICE FIXING RATES OF INTEREST**

**INSTRUMENT NO. 3 OF 2001**

**EXPLANATORY STATEMENT**

The *Rates and Land Rent (Relief) Act 1970* (the Act) provides for relief from land rates in the form of rebates and/or deferral of the obligation to pay rates, to eligible pensioners, specified Social Security payment recipients and persons suffering hardship. Section 23 empowers the Minister to fix the interest rates which are levied by the Act.

This Notice Fixing Rates of Interest revokes the Notice Fixing Rates of Interest, Instrument No. 245 of 2000, dated 12 July 2000, and published in the Australian Capital Territory Gazette No. S37 on 13 July 2000, and fixes the interest rates to be charged on amounts deferred and amounts unpaid after a deferment has been revoked, for the purpose of subsection 23 (1) of the Act.

From 16 January 2001, the interest rate for the purpose of paragraph 23(1)(a) of the Act, in relation to amounts deferred, is fixed at 5.86 percent per annum, a decrease from the current rate of 6.3 percent per annum. This rate is the same rate that is paid on refunds of overpaid taxes under the *Taxation Administration Act 1999* and is based on the weighted average yield set at the last weekly tender for the 13 week Treasury Note yield before the end of November 2000.

From 16 January 2001, the interest rate for the purpose of paragraph 23(1)(b) of the Act, in relation to amounts unpaid after a deferment has been revoked, is fixed at 13.86 percent per annum, previously 14.00 percent per annum, in line with the interest rate levied on other unpaid municipal rates.

The rates have been changed as a consequence of a six monthly review of interest rates by the ACT Revenue Office in line with Government policy.

Authorised by the Treasurer.