

1994

THE LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY

Rates and Land Rent (Relief) (Amendment) Bill 1994

EXPLANATORY MEMORANDUM

Circulated by the Authority of the Chief Minister and Treasurer

Rosemary Follett, MLA

RATES AND LAND RENT (RELIEF) (AMENDMENT) BILL 1994

Outline

The Rates and Land Rent (Relief) Act 1970 (the Act) provides for the deferment and remission of rates and land rent and for a rates rebate scheme for pensioners and persons suffering hardship.

This Bill amends the Act by updating references to Social Security and Veteran's Affairs pensioner beneficiaries, extending the pensioner base to include a wider range of Social Security and Veterans Affairs pensioners, increasing the water and sewerage rates rebate to pensioners from 50% of the fixed charge to 65% of the fixed charge and improves access to the deferment concession, objection and appeal provisions.

Financial Implications

The extension of the pensioner base will be partially funded on an ongoing basis from monies provided by the Commonwealth. The increase in the level of pensioner rebate on water and sewerage rates will cost the ACT Government \$140,000 per annum from 1 July 1994.

Details of the proposed Bill are attached.

Short Title

Clause 1 - provides for the short title for this Act to be the **Rates and Land Rent (Relief) (Amendment) Act 1994**.

Commencement

Clause 2 - the provisions of the Act, other than sections 5, 7 and 10 commence on notification in the Gazette. Sections 5, 7 and 10 dealing with the concurrent application of rebates and deferments of rates, and the formulae for determining rebates for land, water and sewerage rates, respectively, commence on 1 July 1994.

Principal Act

Clause 3 - refers to the Principal Act being amended, being the **Rates and Land Rent (Relief) Act 1970**.

Interpretation

Clause 4 - amends the Principal Act by updating references to Social Security and Veterans Affairs pensioners who are eligible to receive benefits in respect of rates payments. It also provides for a new category of beneficiary being pensioners aged 60 or over who have been receiving income support continuously for more than twelve months by way of:

- . Job Search, New Start, Mature Age, Mature Age Partner or Sickness Allowances or Special Benefits; or
- . have been receiving a pension or allowance as defined in (a) of the definition of pensioner and have transferred to one of the allowances or benefits mentioned above;

under the **Social Security Act 1991**.

The extension of the pensioner base provides support to the older long term unemployed. It also allows movement from pension categories to allowance categories for this group, providing there is no break in the receipt of social security payments for the twelve month period, without loss of eligibility for rates concessions.

Determinations under this Act

Clause 5 - amends the Principal Act by adding at the end of section 3 a new subsection. This subsection allows an eligible person who has received a rebate of their rates liability under Part III of the Act, to also apply to defer the remaining rates owing, or part of the remaining rates owing. Previously such persons were unable to receive a rebate and defer the remainder.

Effect of making a determination

Clause 6 - makes a drafting style amendment to section 4 of the Principal Act to improve interpretation of this section.

Effect of rebate on determination

Clause 7 - amends section 8A of the Principal Act to

- i) in conjunction with clause 5 to provide for the concurrent application of rates rebates and deferrals; and**
- ii) restricts the application of the provision to hardship rebates provided under section 21C. In effect the provision prevents a person or persons receiving a rebate of part of their rates because of undue hardship, from deferring that part of their rates the Minister declares is payable as a condition of receiving that rebate.**

Procedure to be followed before revocation of determination in cases other than under section 9

Clause 8 - amends section 10 of the Principal Act to remove the mention of the right of appeal to the Administrative Appeals Tribunal. The right to appeal to the Administrative Appeals Tribunal is now provided for in proposed new section 23A of this Bill.

Determination may be revoked in certain cases

Clause 9 - amends section 11 of the Principal Act to provide reference to the right of appeal to the Administrative Appeals Tribunal under new section 23A, and remove the old reference under section 10.

Rebate

Clause 10 - amends section 21B of the Principal Act by omitting subsection (2) and substituting three new subsections.

New subsection (2) provides a formula for calculating the amount an eligible person will receive on a rebate of land rates including any rates deferred for that year. This formula continues to provide a rebate of fifty percent of the eligible person's liability to the rates proportional to the number of days in the year that person occupied the property as their principal place of residence.

New subsection (2A) provides a formula for calculating the amount of rebate that will be provided to an eligible person in respect of sewerage rates and water rates including any rates deferred for that year. This formula provides a rebate of sixty five percent of the eligible person's liability to the rates proportional to the number of days in the year that person occupied the property as their principal place of residence.

New subsection (2B) provides for the method of allocating a person's rates rebate to payment of their rates, where a continuing deferral of part of those rates is in force. Its effect is that where a person having a continuing deferral of

part of their rates in force applies for and is granted a rebate, the rebate amount is firstly taken off that part of the rates the person normally pays out. If there is any part of the rebate remaining after this allocation it is used to reduce the deferred rates.

Adjustment of liability for rates

Clause 11 - amends section 21BAA of the Principal Act to remove mention of the procedure relating to the right of appeal to the Administrative Appeals Tribunal under this section. The right to appeal to the Administrative Appeals Tribunal is included in proposed new section 23A.

Repeal

Clause 12 - repeals sections 21D and 21FB of the Principal Act which relates to the right of appeal to the Administrative Appeals Tribunal under sections 21C and 21F. The right to appeal to the Administrative Appeals Tribunal under these sections is now provided for in proposed new section 23A.

Insertion

Clause 13 - inserts after section 23 of the Principal Act new sections 23A and 23B which deal with ratepayers rights of appeal to the Administrative Appeals Tribunal. Subparagraphs a), b), c) and d) are new provisions which upgrade the appeal rights against administrative decisions made under existing provisions in the Principal Act.

Review of decisions

New paragraph 23A(1) makes appealable decisions of the Minister relating to

- a) the eligibility of persons to receive a deferral of their rates or land rent either as pensioners or because of suffering substantial hardship;
- b) the period for which a deferment of rates or land rent is to operate;
- c) the amount of the rates or land rent to be deferred;
- d) altering a deferred amount of rates or land rent;
- e) notifying that a determination relating to a deferment of rates is to be revoked;
- f) where a person is, or persons are, suffering undue hardship in paying their rates: refusing to make a declaration as to an amount of rates payable to discharge liability or refusing to make a declaration to discharge liability; or making a declaration in either instance which is unsuitable to the person, or those persons;

- g)** in respect of prescribed land (land in the Kingston/Griffith area as listed in schedule 2 of the Principal Act): varying or confirming the notional value of the land after a request for review of that value, (notional value is used to determine the amount of rates payable) and the owner is still not satisfied with the value.

New paragraph 23A(2) provides for an appeal to the Administrative Appeals Tribunal against a decision of the Commissioner to adjust a person's rebate of rates under section 21BAA, which adversely affects that person.

Notification of decisions.

New section 23B provides for the person affected by a decision of the Minister to be notified, within 28 days, of the decision and their rights in respect of an appeal to the Administrative Appeals Tribunal.

Further amendments

Clause 14 - amends various sections in the Principal Act to remove sexist language and make a drafting style alteration to change written numbers into numerical symbols.