

AUSTRALIAN CAPITAL TERRITORY

RATES AND LAND RENT (RELIEF) ACT 1970

NOTICE FIXING RATES OF INTEREST

INSTRUMENT NO. 245 OF 2000

EXPLANATORY STATEMENT

The *Rates and Land Rent (Relief) Act 1970* (the Act) provides for relief from land, water and sewerage 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. 4 of 2000, dated 12 January 2000, and published in the Australian Capital Territory Gazette No. S2 on 14 January 2000, and fixes the interest rates to be charged on amounts deferred and amounts unpaid after a deferment has been revoked, for the purpose of subsection 23(1) of the Act.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 July 2000, the interest rate for the purpose of paragraph 23(1)(a) of the Act, in relation to amounts deferred, is fixed at 6.3 percent per annum, increased from the current rate of 5.4 percent per annum. This rate is based on the Reserve Bank's 90 day Bank Bill Swap Rate which is currently 6.31%

From 16 July 2000, the interest rate for the purpose of paragraph 23(1)(b) of the Act, in relation to amounts unpaid after a deferment has been revoked, is fixed at 14.00 percent per annum, previously 13.08 percent per annum, in line with the interest rate levied on other unpaid municipal rates.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.