

## 1.0 Policy Purpose

The purpose of this Refund and Adjustments (Rates) Policy ("Policy") is to provide direction in determining when and how Central Highlands Regional Council ("Council") will seek to recover or reimburse amounts undercharged or overcharged for Rates and Charges.

## 2.0 Scope

- 2.1. This Policy applies to Rates and Charges issued to Ratepayers of Council under section 92(1) of the *Local Government Act 2009*. This Policy does not apply to the refund of payments made under the Register of Commercial and Cost Recovery Fees for the relevant financial year.
- 2.2. This Policy applies to current and previous rate levy periods.

## 3.0 Policy Statement

- 3.1 From time-to-time Council becomes aware of situations where a Ratepayer has been charged Rates and/or Charges incorrectly. This can result from a wide range of circumstances including the receipt of inaccurate information, determinations by courts, and decisions made by other agencies.
- 3.2 If a Ratepayer believes they are entitled to a refund of overpaid Rates and Charges they must make a written request to Council including all relevant supporting information to allow a determination to be made.
- 3.3 Council may issue refunds and make adjustments to Ratepayers under the following six circumstances:
  - 3.3.1 anywhere a Ratepayer has an overall credit balance (in their rates and water accounts), Council may issue a refund up to the value of the credit amount, provided Council is reasonably satisfied the Ratepayer is entitled to the credit amount (i.e. it is not a misallocation from another rate assessment).
    - Where there are multiple Ratepayers for a property, Council may only issue the refund once Council has the authority of all Ratepayers.
  - 3.3.2 Where it can be clearly established that a Council error has been made in the calculation of the Rates and Charges levied, Council may issue any applicable refund up to six (6) years in accordance with section 10(2) of the *Limitations of Actions Act 1974*, unless the Ratepayer can provide supporting documentation to substantiate a claim for a period exceeding six (6) years and there is a compelling reason the matter has not been raised formally with Council within that six-year period (as determined by Council's Manager Finance or delegate).
    - If there has been a change in ownership in the past six (6) years then;
      - A refund will only be granted to the current Ratepayer for the relevant property for the period of their ownership (i.e. from the date of settlement);

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Adoption Date: 28 June 2023	Amended Date: 28 June 2023	Document Name: Refund and Adjustment (Rates) Policy
Revokes: Refund and Adjustment (Rates) Policy previously adopted by council 16 June 2021	Review Date: 30 June 2024	Page 1 of 3

- A refund will only be granted to any former Ratepayer for the relevant property for the period of their ownership (within the past six (6) years);
- Interest revenue levied on the rate assessment as a direct result of the error may be credited back to the rate assessment at the discretion of Council's Manager Finance or Coordinator Rates.
- Where Council is unable to clearly establish, through analysis of its own records, whether an error has been made in the calculation of the Rates and Charges levied (e.g. where there is insufficient supporting documentation), Council may not issue a refund unless the Ratepayer provides sufficient supporting documentation which enables the Manager Finance to unequivocally decide that an error has been made. Where the Manager Finance determines an error has been made, Council may issue a refund subject to the conditions set out above.

**3.3.3** When Council is not notified of a change being made to a property which affects the rating details, or specific requirements have not been complied with (e.g. where a pedestal was removed but Council was not informed or appropriate forms were not lodged). Council may only refund overcharged Rates and Charges applicable from the date of being notified the Rates and Charges were incorrect (i.e. Council may not issue refunds for rating periods prior to the date of notification). Depending on the accounting materiality, Council may make an adjustment from the date of change or from the commencement of the rating period following notification.

**3.3.4** In cases where Rates and Charges have been undercharged to a Ratepayer, including where an error has been made by Council.

Council may make an adjustment to the Ratepayer with regard to the following:

- Where the undercharge is the result of an administrative error on Council's part, Council may make a retrospective adjustment for a period of twelve months (or, if required, slightly longer to align with full rating periods).
- Where an undercharge is of a small value (i.e. not more than \$200), only affects a small number of assessments, and is not deemed economical to make an adjustment for, the Manager Finance or Coordinator Rates may apply the adjustment to the next levy period only.
- Where an adjustment is likely to cause significant hardship to a Ratepayer, Council may allow the Ratepayer a period of up to six (6) months during which an undercharged amount can be paid by regular instalments, under a Payment Arrangement.
- Applicable discounts will be granted providing the undercharged Rates and Charges are paid in accordance with the discount conditions of the relevant Revenue Statements.

**3.3.5** In accordance with section 124 of the Regulation if Council grants a rebate of Rates and Charges to a Ratepayer and the Ratepayer has already paid the Rates and Charges, Council will refund the amount of the rebate to that Ratepayer at that Ratepayer's request.

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Revokes: Refund and Adjustment (Rates) Policy previously adopted by council 16 June 2021	Review Date: 30 June 2024	Page 2 of 3

**3.3.6** In accordance with section 115 of the Regulation, if Council adjusts the amount of Rates and charges payable by a Ratepayer and the Ratepayer has already paid the Rates and Charges, Council must refund any overpaid amount (if the Rates or Charges are reduced) and may recover any amount owing (if the Rates or Charges are increased).

**3.4** Where Council issues a refund under this section, the refund will be paid in accordance with council's standard creditor payment terms, normally within 30 days.

**3.5** Where a Rate or Charge has been undercharged to a Ratepayer, Council will issue supplementary rates notice to the Ratepayer(s) for the amount of Rates and Charges that should have been levied for the relevant periods.

#### 4.0 Definitions

- **Payment Arrangement:** A formal agreement between Council and the ratepayer made under the Rates and Charges Collection Policy for the regular repayment of a portion of the outstanding Rates and Charges balance at agreed intervals until the debt is paid in full.
- **Council:** Central Highlands Regional Council.
- **Ratepayer:** A person who is liable to pay Rates and Charges as per Schedule 7 of the Regulation.
- **Rates and Charges:** Levies that Council imposes on land; and for a service, facility or activity that is supplied or undertaken by Council or someone acting on behalf of Council as per section 91(2) of the Act. This includes:
  - general rates (including differential general rates), separate rates and charges, special rates and charges, and utility charges (section 92(1) of the Act); and
  - interest accrued on overdue rates and charges (section 132(1)(d) of the Regulation); and
  - legal costs to take a ratepayer to court to recover overdue rates and charges, subject to a court order in Council's favour (*section 132(1)(b) of the Regulation*); and
  - if the Council decides to sell land under section 140 of the Regulation and the land is not sold within one year after Council gives the registered owner a notice of intention to sell — the expenses incurred by Council in relation to selling the land (section 132(1)(c) of the Regulation).
- **Register of Commercial and Cost Recovery Fees:** The register maintained by Council under section 98 of the Act.
- **The Act:** The Queensland Local Government Act 2009.
- **The Regulation:** The Queensland Local Government Regulation 2012.

<b>Strategic Link</b>	Limitation of Actions Act 1974 (Qld) Local Government Act 2009 (Qld) Local Government Regulation 2012.
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<b>Related Documents</b>	Revenue Statement

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Revokes: Refund and Adjustment (Rates) Policy previously adopted by council 16 June 2021	Review Date: 30 June 2024	Page 3 of 3