

Circular Details	Circular No 19-05 / 24 April 2019 / A642060
Previous Circular	18-08 / 20 March 2018
Who should read this	Councillors / General Managers / Council staff
Contact	Performance Team (02) 4428 4100
Action required	Information / Council to Implement

Information about Rating 2019-20

What's new or changing

- The maximum Boarding House Tariffs for 2019-20 have been determined.
- The maximum interest rate payable on overdue rates and charges for 2019-20 has been determined.
- The section 603 Certificate fee for 2019-20 has been determined.
- The statutory limit on the maximum amount of minimum rates for 2019-20 has been determined for commencement on 1 July 2019.

What this will mean for your council

- Councils should incorporate these determinations into their 2019-20 rating structures and Operational Plan Statement of Revenue Policies.

Key points

Boarding House Tariffs 2019-20

- In accordance with section 516 of the *Local Government Act 1993* (the Act), it has been determined that for the purpose of the definition of 'boarding house' and 'lodging house', the maximum tariffs, excluding GST, that a boarding house or lodging house may charge tariff-paying occupants are:
 - a) *Where **full board and lodging** was provided:*
 - \$389** per week per room for single accommodation; or
 - \$643** per week per room for family or shared accommodation.
 - b) *Where **less than full board and lodging** is provided:*
 - \$261** per week per room for single accommodation; or
 - \$432** per week per room for family or shared accommodation.

Maximum Interest on Overdue Rates and Charges

- In accordance with section 566(3) of the Act, it has been determined that the maximum rate of interest payable on overdue rates and charges for the 2019-20 rating year will be **7.5%**.
- The methodology used to calculate the interest rate is the Supreme Court methodology (the Reserve Bank cash rate plus 6%), rounded to the nearest half per cent of the maximum interest rate for the previous year. The cash rate used for the purposes of the maximum interest rate for local government is based on the rate as at 6 February 2019.

Notice giving effect to these decisions was published in the NSW Government Gazette on 18 April 2019.

Section 603 Certificate

Under section 603 of the Act, councils may issue a certificate as to the amount (if any) of rates, charges, etc., due or payable to the council for a parcel of land. Section 603(2) states the application must be accompanied by the approved fee. In accordance with the approved methodology, the approved fee for 2019-20 is determined to be **\$85**.

- This determination applies to the issuing of a certificate for the matters specified in section 603(3) of the Act.
- Where a council offers to provide other information as an optional service, the council is not prevented from separately determining an approved fee for that additional service.
- Furthermore, a council is not prevented from determining approved fees for additional services required by an applicant for the expedited processing of a section 603 Certificate.

Statutory limit on the maximum amount of minimum rates

Following a recommendation by IPART, clause 126 of the *Local Government (General) Regulation 2005* will be amended on 1 July 2019 by the *Local Government (General) Amendment (Minimum Rates) Regulation (No 2) 2018* so that:

- under section 548(3)(a) of the Act the maximum amount of a minimum ordinary rate to be **\$540** for 2019-20.

The maximum amount of a minimum special rate (not being a water supply special rate or a sewerage special rate) prescribed by section 548(3)(b) of the Act will remain unchanged at **\$2**.

Where to go for further information

- The NSW Legislation website at: www.legislation.nsw.gov.au.



Tim Hurst
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