DOCUMENT TYPE	Policy
TITLE	**RATES EXEMPTIONS (s6.26)**
NUMBER:	POL-2005

PURPOSE

To establish a clear and consistent process for assessing applications for determinations that land is not rateable based on its actual use under section 6.26 of the *Local Government Act 1995 (WA)*.

It provides guidance on determining when land is not rateable and ensures compliance with relevant legislation.

SCOPE

This policy applies to all applicants seeking a determination that land is not rateable under section 6.26 of the *Local Government Act 1995*.

DEFINITIONS

Council - The Council of the Shire of Wyndham East Kimberley.

Exemption - A determination that land is not rateable under section 6.26 of the *Local Government Act 1995*.

Financial year - The period from 1 July to 30 June.

Local government - The Shire of Wyndham East Kimberley.

Land that is not rateable – Land that is not subject to rates in accordance with section 6.26 of the *Local Government Act 1995*.

Rateable land - Land subject to rates under the *Local Government Act 1995*, excluding land determined to be not rateable under section 6.26.

POLICY STATEMENTS

This Policy defines the basis on which section 6.26 of the *Local Government Act 1995* is applied in determining whether land is rateable or not rateable.

1) Categories of Land that is Not Rateable

Section 6.26 of the *Local Government Act 1995* identifies categories of land that are not rateable. These include, but are not limited to:

- Crown land
- Land used for public purposes
- Land used exclusively for charitable purposes
- Land prescribed under written law

Applications are to be assessed against the relevant category and supporting legislative requirements.

2) Charitable Land – Specific Criteria

Where land is claimed to be not rateable under section 6.26(g), the following criteria apply:

- Be a charitable purpose, as recognised under section 12 of the *Charities Act 2013;*
- Advancing health, education, social or public welfare, religion, or culture;
- Promoting reconciliation, mutual respect, human rights, security, or safety;
- Preventing or relieving animal suffering;
- Primary use of the land must deliver a public benefit; incidental activities must not dominate.
- Advancing the natural environment or other public benefits;
- Where land is used for both charitable and non-charitable purposes, a determination may be made that part of the land is not rateable, based on the extent of its use for charitable purposes.

Certain purposes are disqualified from exemption under section 11 of the *Charities Act 2013*, including:

- Activities that are unlawful or contrary to public policy.
- Promoting or opposing a political party or candidate.

3) Essential Exemption Requirements

For land to qualify as not rateable under section 6.26 of the *Local Government Act 1995*:

The applicable criteria will depend on the category of exemption being applied for under section 6.26.

- The use of the land, not just the organisation's purpose, must be charitable.
- The land use must provide a public benefit.
- The land must be used *exclusively* for a charitable purpose
- Any commercial activities conducted must be incidental to the charitable purpose.
    - If the use of land for a charitable purpose generates incidental profit as a by-product of its operation, this does not necessarily disqualify the land from being determined to be not rateable provided the primary use remains charitable.
- Provide Certificate of Title or ownership evidence for verification

4) Application Process

Applicants seeking a determination that land is not rateable must:

- Submit a written application using the prescribed form.
- Be the property owner or a tenant responsible for rates under a lease.
- Provide supporting documents, including:
    - Constitution of the organisation.
    - Financial statements.
    - Evidence of land use.
- Where applicable, provide evidence demonstrating eligibility under the relevant category of section 6.26 of the *Local Government Act 1995*.
- Reapply every three years.
- Rates remain payable until a determination that land is not rateable is made, with refunds provided if applicable.
- Applications received after the closing date will not be assessed unless Council resolves to accept and assess late applications.

Applications must be lodged by 31 May for the upcoming rating year.

5) Determination of Exemption

Determinations as to whether land is not rateable are to be made by an authorised officer in accordance with the Shire's REG-1001 Delegations Register, the Shire will assess applications based on:

- Compliance with section 6.26 of the *Local Government Act 1995* and any applicable legislation relevant to the category of land claimed to be not rateable.
- Submission of required documentation.
- Any necessary additional information requested by the Shire.

Successful applicants will receive written notification, including:
- Date of exemption commencement.
- Review period.
- Value of rates exempted.

Please note that:
- Exemptions are not automatically renewed and must be reassessed at the end of each review period.
- If the property was used for the stated purpose as of 1 July in the relevant financial year, the exemption will apply from that date, with refunds issued for any rates paid prior to determination. If the land use changes mid-year, any exemption granted will only take effect from the date of the change.
- If a property loses its exemption during the financial year, pro rata rates will apply effective from the month following the loss of exemption.
- If a property is sold, pro rata rates will be applied from the date of settlement.

6) Review and Appeal Rights

Applicants may challenge a determination through:

1. Objection under section 6.76 of the *Local Government Act 1995* – If they believe an error has been made in the rate record.
2. Review by the State Administrative Tribunal under section 6.77 of the *Local Government Act 1995* – Within the statutory timeframe from the date of the decision.

DOCUMENT AND VERSION CONTROL

Responsible Directorate	Corporate Services
Responsible Officer	Director Corporate Services
Statutory References	*Local Government Act 1995* section 6.26 section 6.52 section 6.53 section 6.76 section 6.77 *Charities Act 2013 (Cth)*

Related Documents	POL-2002 Strategic Rating Policy POL-3002 Community Grant Program POL-2007 Rates and Charges Debt Collection MOR-2000 Audit, Risk and Improvement Committee Terms of Reference REG-1001 Delegations Register WALGA Best Practice Guideline on Rates Exemptions for Charitable Organisations.		
Amendment History (Adoption and last 3 amendments)			
Version	**Date Issued - Resolution Number**	**Item #**	**Description of Change**
1.0	18/03/2014 – 10344	11.2	Council Adoption at Special Council Meeting
3.3	08/11/2023 – CEO032	--	Reference Updates as per POL-1014 Policy Management (previously CP-FIN-3208)
4.0	29/07/2025 - 119250	12.4.1	Review Adopted by Council
5.0	26/05/2026 - 119444	9.3.5	Review Adopted by Council
Date of Next Review	April 2027		