33 Goldie Street
PO Box 348
SMITHTON TAS 7330
council@circularhead.tas.gov.au
(03) 6452 4800
www.circularhead.tas.gov.au

GENERAL RATES EXEMPTION AND REMISSIONS: NON-PROFIT COMMUNITY AND SPORTING GROUPS POLICY

SCOPE

The purpose of this Policy is to provide a clear, consistent and transparent framework for assessing and applying general rate exemptions and remissions for eligible community, charitable and sporting organisations within the Circular Head municipal area.

This Policy gives effect to statutory exemptions that apply under the *Local Government Act 1993* and establishes Council's position on providing general rate remissions to eligible community and sporting organisations that may not meet the strict requirements for a statutory exemption but provide a demonstrated community benefit.

The Policy recognises that some sporting clubs and community organisations may not be formally registered as non-profit or charitable entities, including where they hold liquor licences or undertake limited fundraising or trading activities, but may still operate primarily for community, recreational or sporting purposes.

PURPOSE

This Policy applies to the assessment and application of:

- the Local statutory exemptions from the general rate for land that meets the relevant exemption requirements under the *Local Government Act 1993*; and
- Council-approved general rate remissions for eligible community and sporting organisations that do not qualify for a statutory exemption but meet Council's eligibility criteria under this Policy.

The Policy applies to land within the Circular Head municipal area that is owned and occupied by an eligible charitable, community or sporting organisation and used primarily for charitable, community, recreational or sporting purposes.

For the purposes of Council-approved remissions, an organisation does not need to be formally registered as a charity or non-profit entity, provided Council is satisfied that the organisation operates primarily for community, recreational or sporting purposes and that any income or surplus is applied to the organisation's objectives rather than distributed for private profit.

This Policy applies only to the general rate. It does not apply to service rates, service charges, fire service contributions or charges collected on behalf of other government agencies, unless a separate legislative exemption applies or Council has made a specific decision to remit or waive those charges.

This Policy does not apply to land used primarily for commercial, private, residential, profit-making or unrelated purposes.

33 Goldie Street
PO Box 348
SMITHTON TAS 7330
council@circularhead.tas.gov.au
(03) 6452 4800
www.circularhead.tas.gov.au

GENERAL RATES EXEMPTION AND REMISSIONS: NON-PROFIT COMMUNITY AND SPORTING GROUPS POLICY

POLICY STATEMENT

Council recognises the important contribution that charitable, community and sporting organisations make to the wellbeing, participation, inclusion and social cohesion of the Circular Head community.

Council will apply statutory exemptions from the general rate where the relevant land and organisation meet the exemption requirements under the *Local Government Act 1993*.

Where an organisation does not qualify for a statutory exemption, Council may approve a remission of the general rate where the organisation provides a demonstrated community, recreational or sporting benefit and meets the eligibility criteria set out in this Policy.

Council acknowledges that some sporting clubs and community organisations may hold liquor licences, operate canteens, conduct fundraising activities or generate incidental income to support their activities. These activities will not automatically prevent an organisation from being considered for a general rate remission, provided Council is satisfied that the primary purpose of the organisation and use of the land remains community, recreational or sporting in nature, and that income is applied to those purposes rather than distributed for private profit.

A general rate remission under this Policy may be granted where Council is satisfied that:

- the organisation operates primarily for charitable, community, recreational or sporting purposes;
- the land is owned and occupied by the organisation;
- the land is used primarily for activities that provide a direct benefit to the Circular Head community;
- any commercial, licensed, fundraising or trading activity is ancillary to the organisation's main community, recreational or sporting purpose;
- income or surplus funds are applied to the organisation's stated purposes and are not distributed to members or private individuals, other than for legitimate reimbursement or payment for services; and
- granting the remission is consistent with Council's rating obligations, budget considerations and broader community benefit objectives.

The statutory exemption or Council-approved remission applies to the general rate only. All service rates, service charges, fire service contributions and charges collected on behalf of other government agencies remain payable in full, unless otherwise exempt under legislation or specifically resolved by Council.

Council may require an organisation to provide information to support assessment of eligibility, including evidence of ownership and occupancy, governing rules or constitution, financial information, details of activities conducted on the land, liquor licence arrangements, lease or

occupancy agreements, and any other information reasonably required to determine whether an exemption or remission should apply.

Organisations receiving an exemption or remission must notify Council of any change in ownership, occupancy, land use, organisational status, licence arrangements or activities that may affect eligibility.

Council may refuse, reduce, vary or cease a remission where the eligibility criteria are not met, where the use or occupancy of the land changes, where the organisation's activities become primarily commercial or private in nature, or where continuing the remission would be inconsistent with the intent of this Policy.

LEGISLATIVE REQUIREMENTS

Section 87(d) of the *Local Government Act 1993*

RELATED DOCUMENTS

Rating Strategy
Rates and Charges Policy (CP006)