

Rates Discount policy

Purpose

To specify the policy for early payment of rates in the current financial year in terms of section 55 of the Local Government (Rating) Act 2002.

Background

Rates are set on properties in accordance with the statutory provisions of the Local Government (Rating) Act 2002. A local authority may adopt a policy for the payment of some or all rates that are identified in the rates assessment before the due date or dates for those rates in the current financial year.

This policy has been in place since 2002, with similar policies operating under previous legislation prior to this date.

This policy must be adopted using the special consultative procedure and may be included in the long-term plan.

Key Definitions

Financial year – a period of 12 months beginning on 1 July.

Policy

A discount of 2.5% will be allowed on the total rates set for the financial year, if the rates for a financial year, including any current penalties, are paid in full on or before the due date of the first instalment for that financial year.