

Council Policy

Policy Title:	Policy on Discounts for Early Payment of Rates
Responsibility:	Financial Controller (or equivalent)
First Adopted:	June 2018
Review Frequency:	As required
Last Reviewed:	June 2018
Next Review Due:	As required
Doc No	662996

File No P50-0057



1 Policy Objectives

- 1.1 The objective of this policy is to encourage ratepayers to pay rates early by providing a discount.

2 Definitions

- 2.1 None required.

3 Principles

- 3.1 There are cash flow advantages of receiving revenue from rates before the due date for payment.
- 3.2 Offering a financial incentive may encourage early payment.

4 Background

- 4.1 The policy is required under Section 55 of the Local Government (Rating) Act 2002 which allows Councils to 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.

5 Policy Statement

- 5.1 Ratepayers will qualify for a discount from their annual rates if all their rates are paid in full, together with any outstanding prior years' rates and penalties, by the day their first rates instalment for the new financial year is due.
- 5.2 Ratepayers, paying metered water supply charges, will qualify for a discount from their water charges if the charges are paid by the discount date stated in the Water by Meter account.

- 5.3 The discount rate will be reviewed annually taking into consideration Council's borrowing interest rates for the financial year in which the discount will apply.
- 5.4 The Council will set the rate of discount that ratepayers are eligible for on an annual basis. The discount rate will be adopted by Council resolution at the same time as other rates-related decisions as part of its annual plan or long-term plan decision making process.

6 Delegations

- 6.1 Decisions relating to whether a ratepayer qualified for a discount for early payment of rates will be made by the Financial Controller (or equivalent).

Annotations

Date	Description
March 2018	New Policy out for consultation
June 2018	Adopted