

COUNCIL POLICY

REVENUE POLICY

POLICY NUMBER IRC-POL-007 **DOCUMENT ID** 4947746

CATEGORY Council

POLICY OWNER Financial Services

APPROVAL DATE 26 May 2026 **RESOLUTION
NUMBER** 9756



OBJECTIVE

In accordance with the requirements of section 193 of the *Local Government Regulation 2012*, the objective of this Revenue Policy is to state:

- the principles intended to be applied by Council for the 2026/2027 financial year for the following revenue activities:
 - levying of rates and charges;
 - granting concessions for rates and charges;
 - recovering overdue rates and charges; and
 - cost-recovery methods;
- the purposes for concessions that Council intends to grant; and
- the extent to which physical and social infrastructure costs for a new development are to be funded by charges for the development.

SCOPE

Pursuant to section 104(5)(c)(iii) of the *Local Government Act 2009* the system of financial management established by Council must include a revenue policy.

Section 169(2)(c) of the *Local Government Regulation 2012* requires Council to include in its financial budget a revenue policy.

Section 170 of the *Local Government Regulation 2012* requires Council to adopt a budget each financial year.

Pursuant to section 193 of the *Local Government Regulation 2012*, the principles stated in this Revenue Policy are intended to be applied by Council for the relevant revenue activities in the 2026/2027 financial year.

DEFINITIONS

TERM / ACRONYM	MEANING
Council	Isaac Regional Council

POLICY STATEMENT

COUNCIL'S POSITION ON MATTER

This Revenue Policy states the principles Council intends to apply in the 2026/2027 financial year for the relevant revenue activities.

GUIDING PRINCIPLES

Levying Rates and Charges

For levying rates and charges for the 2026/2027 financial year, Council will have regard to the principles of:

- **user pays** - Council will be guided by the principle of user pays to minimise the impact of rating on the efficiency of the local economy;
- **transparency/simplicity** – Council will be transparent in the making and levying of rates and charges and will endeavour to use practices and systems that are able to be understood by all the community;
- **effectiveness/efficiency** – Council will endeavour to have practices and systems that are simple and inexpensive to administer;
- **fairness** – Council will endeavour to have practices and systems that achieve fair and consistent application of lawful rating and charging principles, without bias, taking account of all relevant considerations, and disregarding irrelevancies such as the perceived personal wealth of individual ratepayers or ratepayer classes;
- **flexibility** - Council will endeavour to take account of changes in the local economy; and
- **sustainability** – Council will endeavour to ensure that it manages revenue diligently and that the application of funds is founded on sustainable financial management.

General Rates

Section 92(2) of the *Local Government Act 2009* provides that general rates are for services, facilities and activities that are supplied or undertaken for the benefit of the community in general (rather than a particular person).

Section 94(1)(a) of the *Local Government Act 2009* provides that Council must levy general rates on all rateable land within its local government area.

Council believes that the distribution of the general rate burden through the levy of differential general rates in previous financial year has been generally equitable.

Council intends to levy differential general rates in the 2026/2027 financial year whereby land is categorised according to different rate categories, having regard to such factors, but not limited to: usage made of the land, and the nature, location, area and value of the land.

Pursuant to section 74 of the *Local Government Regulation 2012* Council must calculate the rates for land by using the value of the land under the *Land Valuation Act 2010* as assessed by the Valuer-General.

To ensure that owners of land across all differential categories contribute equitably to the cost of common services, facilities and activities, Council intends to apply a minimum rate to each differential rate category.

Special Rates and Charges

Section 92(3) of the *Local Government Act 2009* provides that special rates and charges are for services, facilities and activities that have a special association with particular land because-

- the land or its occupier:

- specially benefits from the eservice, facility, or activity; or
- has or will have special access to the service, facility, or activity; or
- the land is or will be used in a way that specially contributes to the need for the service, facility, or activity; or
- the occupier of the land specially contributes to the need for the service, facility, or activity.

Examples of services that may necessitate a special rate or charge are, but not limited to:

- maintenance and improvements to specific infrastructure in the regions towns which are necessitated by mining operations; and
- rural fire prevention and firefighting services.

Utility Charges

Section 92(4) of the *Local Government Act 2009* provides that utility charges are for a service, facility, or activity for any of the following utilities: waste management, gas; sewerage and water.

In the 2026/2027 financial year, Council intends to levy utility charges for waste management, sewerage, and water services.

Council may make and levy such utility charges on all rateable land, whether vacant or occupied, if the relevant utility service is available to the land.

Council may make and levy utility charges on non-rateable land where the owner or occupier has requested that the relevant service be provided.

Generally, utility charges will be calculated on a full cost recovery basis.

Separate Rates and Charges

Section 92(5) of the *Local Government Act 2009* provides that separate rates and charges are for any other service, facility, or activity.

Where it is appropriate, Council may levy separate rates and charges to recover the cost of particular services, activities and facilities that benefit the community generally.

Pursuant to section 103 of the *Local Government Regulation 2012*, Council may fix a minimum amount of the rates and may levy separate rates or charges for a service, facility, or activity, whether or not the service, facility or activity is supplied by Council.

As an example, a levy will be applied to all rateable properties in the region to ensure that Council has the capability to meet its obligations in times of natural disaster. The disaster management charge will be used to assist in funding the recurrent annual disaster management activities of Council, including those costs relating to the operation and maintenance of equipment used by Council in fulfilment of its disaster management obligations, and those costs relating to disaster prevention and disaster planning.

Granting concessions for rates and charges

Principles behind Concessions for Rates and Charges

Pursuant to section 120(1) of the *Local Government Regulation 2012* Council may grant a concession for rates or charges only if it is satisfied of one or more of the criteria set out therein.

In considering whether to grant a concession to a stated ratepayer or to a ratepayer who is a member of a stated class of ratepayers, Council will be guided by the principles of:

- **fairness** - the same treatment for ratepayers with similar circumstances;
- **transparency/simplicity** - by making clear the requirements necessary to receive concessions; and
- **flexibility** - to allow Council to respond to local economic issues.

Purpose of Concessions

For the 2026/2027 financial year, subject to the conditions determined from time to time in any applicable Council Policy and/or resolution, Council may grant concessions for rates and charges for:-

- **eligible pensioners**, for the purpose of alleviating the rating burden on eligible persons who are reliant on a pension;
- **certain entities whose objects do not include making a profit**, such as religious organisations, sporting clubs and show societies, on the basis that these entities provide benefits to the community, in accordance with the Rates Concession – Not For Profit Policy; and
- in its discretion, to other persons, where, for example, Council is satisfied that the payment of the rates or charges will cause hardship to the landowner.

Consideration may be given by Council to granting a class concession (a concession to a stated class of ratepayers) in the event all or part of the local government area is declared a natural disaster area by the State Government.

Recovering overdue rates and charges

Section 132 of the *Local Government Regulation 2012* outlines what are overdue rates or charges and when they become overdue.

In general, Council will exercise its powers to recover overdue rates and charges to reduce the overall rate burden on all ratepayers.

In particular in recovering overdue rates and charges Council will be guided by the principles of:

- **transparency/simplicity** - by making clear the obligations of ratepayers and the processes used by Council in assisting them meet their financial obligations;
- **effectiveness/efficiency** – by making the processes used to recover outstanding rates and charges clear, simple to administer and cost effective;

- **fairness** –by having regard to providing the same treatment for ratepayers with similar circumstances; and
- **flexibility** - by responding where necessary to changes in the local economy.

Council may use all of its powers under the Act and Regulation to recover overdue rates and charges. In particular, Council may exercise its powers:

- under section 95 of *Local Government Act 2009*, to register a charge over land where rates and charges become overdue;
- under section 134 of the *Local Government Regulation 2012*, to bring court proceedings for a debt against a person who is liable to pay the overdue rates and charges; and
- under Chapter 4, Division 3 of the *Local Government Regulation 2012*, to sell or acquire land for overdue rates or charges.

Council intends to charge interest on overdue rates and charges pursuant to section 133 of the *Local Government Regulation 2012*.

Cost-recovery methods

Section 97 of the *Local Government Act 2009* allows Council to set cost-recovery fees.

For cost-recovery methods in the 2026/2027 financial year, Council intends to apply the following principles:

- **user pays** - Council recognises the validity of fully imposing the user pays principle for its cost-recovery fees, unless the imposition of the fee is contrary to its express social, economic, environmental, and other corporate goals. This is considered to be the most equitable and effective revenue approach and is founded on the basis that the regions rating base cannot subsidise the specific users or clients of Councils regulatory products and services.
- **cost of providing services / action** – However, in setting its cost-recovery fees, Council will be mindful of the requirement that such fees must not be more than the cost to Council of providing the service or taking the action for which the fee applies.

Section 262(3)(c) of the *Local Government Act 2009* empowers Council to charge for a service or facility it supplies other than a service or facility for which a cost recovery fee may be fixed. Council will impose a commercial fee where it provides a commercial service to a party that can choose to avail themselves of the service or facility. The nature, level, and standard of the service is considered by Council in setting the commercial fee. Council may set the charge with the aim of generating revenue. A user-pays principle is considered where Council provides the service in competition with the private sector.

Physical and Social Infrastructure Costs for New Development

Council intends to fund the provision of local government trunk infrastructure networks for new development by the adoption and levying of infrastructure charges on new development.

The infrastructure charges for providing local government trunk infrastructure networks are detailed in Infrastructure Charges Resolutions adopted by council having regard to council's planning scheme.

Council also intends for new development to meet council's additional costs of bringing forward development infrastructure and other physical and social infrastructure costs for a new development which is of sufficient magnitude to accelerate the growth rate of a specific area so that the availability of facilities is not adversely affected, and existing ratepayers are not burdened with the cost of providing the additional infrastructure.

LEGISLATIONS AND RELATED GUIDELINES

- *Local Government Act 2009*
- *Local Government Regulation 2012*
- *Land Valuation Act 2010*
- *Planning Act 2016*

REFERENCES

ID	NAME
CORP-POL-025	Rates Concession – Not For Profit Policy

REVIEW

This policy is required by legislation. This policy should be reviewed at intervals of no more than one (1) year, or earlier if legislation or other circumstances change.

VERSION CONTROL

DATE	VERSION	UPDATE
27 May 2025	V10	Resolution 9163
26 May 2026	V11	Resolution 9756