

COUNCIL POLICY

Penalty Interest Rate Relief Policy

- Policy No:** 2.13
- Objective:** To define the process by which ratepayers may be granted relief from paying penalty interest on outstanding rate amounts.
- Policy Statement:** Consideration will be given to waiving penalty interest charges on outstanding rates, where a payment arrangement is agreed and subject to the applicant being up to date with the repayment terms of that arrangement.
- The following guidelines specify the process for determining if the penalty interest on outstanding rates, should be waived.
- Guidelines:** Delegation DA09 provides authority to the Chief Executive Officer under s6.12(c) of the Local Government Act 1995 to write off monies owing in cases of hardship, which includes interest on outstanding rates.
- The following criteria applies to any request for relief under this policy;
1. the ratepayer must provide evidence of genuine financial hardship by submitting an original hardship letter from a qualified financial body (e.g. a fully accredited member of Financial Counsellors Association of Western Australia or Bank).
 2. The ratepayer must already have or agree to an “Approved Payment Arrangement” and adhered to the repayment terms of that Agreement.
 3. the property is a residential property and the owner occupies the property and is responsible for the payment of rates and charges (not rented or leased out).
 4. the ratepayer is not a corporation or trustee.
 5. the ratepayer is not bankrupt or subject to a bankruptcy petition.
 6. if requested, the maximum penalty interest amount to be written off is \$500 and will only apply to the interest on outstanding amounts relevant to the ratepayer’s principal place of residence.
 7. The following charges will not be written off;
 - rates,
 - rubbish collection charges,
 - Emergency Services Levy,
 - Soil Conservation Levy, or
 - any other charge that Council may levy.

Roles and Responsibilities

Applications for Penalty Interest Rate Relief must be made on the Penalty Interest Rate Relief form. This form can be obtained from the Shire's website or by contacting Customer Service on 9821 9999.

Applications including an original copy of an extreme hardship letter must be submitted to the Rates Officer.

Upon receipt, Council Officers will assess the application and the ratepayer will receive notification of the outcome of the application generally within 21 days.

Resolution No:	OC68/20	
Resolution Date:	28 July 2020	
Amended:	26 February 2025	OC12/25
Source:	Finance	
Date of review:	Biennially	
Review Responsibility:	Chief Executive Officer	