



New South Wales

Local Government Amendment (General Rate Exemptions) Bill 2010

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The object of this Bill is to amend the *Local Government Act 1993* (*the principal Act*) to enable the separate valuation of parts of a parcel of land owned by a religious body, public benevolent institution or public charity that is used partly in a manner that is exempt from rating and partly in a manner that is not exempt from rating if rates are to be levied on the non-exempt part.

Outline of provisions

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on the date of assent to the proposed Act.

Schedule 1 **Amendment of Local Government Act 1993 No 30**

Schedule 1 [1] amends section 555 of the principal Act to provide that if rates are to be levied on land belonging to a religious body that is occupied and used partly for

purposes that are exempt from rating and partly for other purposes, the relevant council must cause the land to be valued in accordance with section 28A of the *Valuation of Land Act 1916*. Section 28A provides for the separate valuation of a part of land that is subject to rates where the rest of the land is exempt from rates. **Schedule 1 [2]** makes a similar amendment to section 556 of the principal Act with respect to land belonging to a public benevolent institution or public charity.

Schedule 1 [3] amends Schedule 8 to the principal Act to enable regulations to be made containing provisions of a savings or transitional nature as a consequence of the enactment of the proposed Act.

Schedule 1 [4] amends Schedule 8 to the principal Act to provide that land belonging to a religious body that is subject to a lease entered into before the enactment of the proposed Act, that does not provide that the lessee is to pay the rates (if any) levied on the land, is taken to be land that is occupied and used by the religious body for a purpose that is exempt from rating, but only if part of the land is actually used by the religious body for a purpose that is exempt from rating. The Schedule includes a similar provision for land belonging to a public benevolent institution or public charity.

First print



New South Wales

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Contents

	Page
1 Name of Act	2
2 Commencement	2
Schedule 1 Amendment of Local Government Act 1993 No 30	3



New South Wales

Local Government Amendment (General Rate Exemptions) Bill 2010

No. , 2010

A Bill for

An Act to amend the *Local Government Act 1993* in relation to rate exemptions for land partly used by religious or charitable bodies.

The Legislature of New South Wales enacts:	1
1 Name of Act	2
This Act is the <i>Local Government Amendment (General Rate Exemptions) Act 2010</i> .	3 4
2 Commencement	5
This Act commences on the date of assent to this Act.	6

**Schedule 1 Amendment of Local Government Act
1993 No 30**

[1] Section 555 What land is exempt from all rates?

Insert after section 555 (4):

- (5) A parcel of rateable land belonging to a religious body that is partly occupied and used in a manner described in subsection (1) (e), and partly in a manner that would result in part of the parcel not being exempt from rates under this section, is to be valued in accordance with section 28A of the *Valuation of Land Act 1916* to enable those rates to be levied on the part that is not exempt.
- (6) Any such valuation is to be made at the request of the council that proposes to levy rates on the parcel concerned.
- (7) For the avoidance of doubt, sections 7B and 28A of the *Valuation of Land Act 1916* extend to a stratum for the purpose of carrying out a valuation in accordance with subsection (5) and so extend whether or not the stratum is a lot in a strata plan that is registered under the *Strata Schemes (Freehold Development) Act 1973* or the *Strata Schemes (Leasehold Development) Act 1986*.

[2] Section 556 What land is exempt from all rates, other than water supply special rates and sewerage special rates?

Insert after section 556 (2):

- (3) A parcel of rateable land belonging to a public benevolent institution or public charity that is partly used or occupied by the institution or charity for its own purposes, and partly for a purpose that would result in part of the parcel not being exempt from rates under this section, is to be valued in accordance with section 28A of the *Valuation of Land Act 1916* to enable those rates to be levied on the part that is not exempt.
- (4) Any such valuation is to be made at the request of the council that proposes to levy rates on the parcel concerned.
- (5) For the avoidance of doubt, sections 7B and 28A of the *Valuation of Land Act 1916* extend to a stratum for the purpose of carrying out a valuation in accordance with subsection (3) and so extend whether or not the stratum is a lot in a strata plan that is registered under the *Strata Schemes (Freehold Development) Act 1973* or the *Strata Schemes (Leasehold Development) Act 1986*.

[3] Schedule 8 Savings, transitional and other provisions consequent on the enactment of other Acts	1 2
Insert at the end of clause 1 (1):	3
<i>Local Government Amendment (General Rate Exemptions) Act 2010</i>	4 5
[4] Schedule 8	6
Insert at the end of the Schedule with appropriate Part and clause numbering:	7
Part Provisions consequent on enactment of Local Government Amendment (General Rate Exemptions) Act 2010	8 9 10
Partial exemptions for certain land belonging to a religious body, public benevolent institution or charity	11 12
(1) A part of a parcel of land that belongs to a religious body and is subject to an existing lease that does not provide for any rates payable on that part to be paid by the lessee is taken, for the purposes of section 555, to be land occupied and used in a manner referred to in section 555 (1) (e), but only if some other part of the parcel is actually occupied and used by the religious body.	13 14 15 16 17 18
(2) A part of a parcel of land that belongs to a public benevolent institution or public charity and is subject to an existing lease that does not provide for any rates (other than water supply special rates and sewerage special rates) payable on that part to be paid by the lessee is taken, for the purposes of section 556, to be land used or occupied by the institution or charity for its own purposes, but only if some other part of the parcel is actually used or occupied by the institution or charity for its own purposes.	19 20 21 22 23 24 25 26

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- (3) In this clause: 1
- amending Act* means the *Local Government Amendment (General Rate Exemptions) Act 2010*. 2
- existing lease* means a lease entered into before the 3
- commencement of the amending Act. 4
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