

GO3 – Rates Write-off – Cancelled Mining Coal Rights Assessments

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28079

TRIM 150

EXECUTIVE SUMMARY

- The purpose of this report is to approve write-off of rates on cancelled mining coal rights assessment 16670.
- It is recommended that \$5,491.89 be written-off under Reg 131(4)(b) of the Local Government (General) Regulation 2005 for assessment 16670.

REPORT

Council has previously held rateable valuations for thirty nine (39) Mining Coal Rights titles. The rateable valuations for these titles ranged from \$50 to \$1,190,000 and a nominal Mining Coal Rights rate of 0.1 cents in the dollar was levied on these titles.

Ownership for the majority of these titles is held by either deceased persons, deregistered companies or unlocatable owners.

On 1 September, 2015 the Crown Solicitor gave advice to the Valuer General that these type of mineral-only and coal-only titles were not required to be valued for rating purposes. Following consideration of the implications to Councils, the Valuer General cancelled the rateable valuations for these title types as these titles are not required to be valued or rated.

Assessment 16670 holds a balance of \$5,491.89. The registered owner of this title is a company that was deregistered in 1985 and no registered subsidiary or parent companies were found by Council's debt recovery agents.

Attempts to recover the outstanding balances would not be cost effective and as the land values were cancelled by the Valuer General following the advice from the Crown Solicitor there is doubt that the balance could be lawfully recovered.

Section 607 of the Local Government Act 1993 provides that, "the regulations may specify circumstances, in addition to those for which provision is made in this Chapter, in which a Council may write off rates and charges and interest accrued on unpaid rates and charges".

Reg 131 of the Local Government (General) Regulation 2005 provides that:

"(1) The Council must, from time to time, by resolution, fix the amount of rates and charges above which any individual rate or charge may be written off only by resolution of the Council.

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- (2) *An amount of rates or charges of or below that amount can be written off either by resolution of the Council or by order in writing of the Council's General Manager. In the absence of a resolution under subclause (1), rates and charges can be written off only by resolution of the Council.*
- (3) *A resolution or order writing off an amount of rates or charges must:*
 - (a) *specify the name of the person whose debt is being written off, and*
 - (b) *identify the account concerned, and*
 - (c) *specify the amount written off, or must refer to a record kept by the Council in which those particulars are recorded.*
- (4) *An amount of rates or charges can be written off under this clause only:*
 - (a) *if there is an error in the assessment, or*
 - (b) *if the amount is not lawfully recoverable, or*
 - (c) *as a result of a decision of a court, or*
 - (d) *if the Council or the General Manager believes on reasonable grounds that an attempt to recover the amount would not be cost effective.*
- (5) *The fact that an amount of rates or charges is written off under this clause does not prevent the Council concerned from taking legal proceedings to recover the amount.*
- (6) *The General Manager must advise the Council of rates and charges written off by written order of the General Manager."*

On 19 August, 2013 (160/2013) Council resolved to fix the amount under clause 131(1) that can be written-off by the General Manager to \$5,000.

As the balance to be written-off is above the General Manager's delegation It is recommend that outstanding rates of \$5,491.89 for assessment 16670 be written-off under Reg 131(4)(b) of the Local Government (General) Regulation 2005 by resolution of Council.

In accordance with Reg 131(3) of the Local Government (General) Regulation 2005, details of the account recommended for write-off is as follows:

Assessment	Ratepayer	Amount
16670	Teos Mines (deregistered 1985)	\$5,491.89

CONSULTATION

- Council's debt recovery agents (Recoveries & Reconstructions)
- NSW Valuer General
- Crown Solicitors Office.

FINANCIAL IMPLICATIONS

Council has a provision for doubtful debts that exceeds the proposed write-off. Accordingly, the write-off of this debt will not cause any budgetary implications.

Governance

Report of Governance to the Ordinary Meeting of Council held on Monday 19 June 2017

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ATTACHMENTS

Nil

RECOMMENDATION

That the rates and charges totalling \$5,491.89 for assessment 16670 as detailed in this report be written-off under Regulation 131(4)(b) of the Local Government (General) Regulation 2005.