

Rating of Residential Properties used for Charitable Purposes Policy

Corangamite Shire

March 2025



**CORANGAMITE
SHIRE**

Council Policy



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Introduction

Council is empowered under the *Local Government Act 1989* (the Local Government Act) to raise revenue in the form of rates. Section 154 of the *Local Government Act* states that Land would be not rateable land if “any part of land, if that part is used exclusively for charitable purposes” or “vested in or held in trust for any religious body”

Purpose

The purpose of this policy is to establish guidelines to assess the rateability of a house or flat on land that is used exclusively for charitable purposes or is vested in or held in trust for any religious body.

Scope

The policy applies to properties owned and/or operated by organisations that are registered with the Australian Charities and Not-for Profits Commission as “charitable organisations” or properties that are “vested in or held in trust for any religious body” pursuant to Section 154 of the *Local Government Act 1989*.

The organisation must directly use the property or part of it for the provision of residential accommodation. A fee or rental for residential accommodation may be charged, but all income derived must be used to defray the costs of providing the accommodation and/or ancillary services provided by the organisation.

References

Legislative Requirement

Section 154 (2)(c) of the *Local Government Act 1989* states that any part of land if that land is used exclusively for charitable purposes is to be “not rateable” land.

Provision of residential accommodation by a charitable organisation could, in itself, be a charitable purpose, provided the resident does not have exclusive occupancy of the dwelling.

Exclusive occupancy is denoted by the resident enjoying a high level of autonomy from the accommodation provider. As such, a property used to provide residential accommodation to a resident would be rateable if the resident was deemed to be in exclusive occupation of the unit.

Policy Detail

Properties used to provide residential accommodation for a fee or rental will be deemed not rateable provided the resident does not enjoy exclusive occupancy of the dwelling.

Whether or not the resident enjoys exclusive occupancy of the dwelling will be assessed using the attached criteria (attachment A). The list is not exhaustive and other relevant criteria may be considered as they become apparent. The applicant must meet a majority of the criteria before being considered non-rateable under this policy.

The subject property must be used directly for the provision of residential accommodation and must be owned or operated by an organisation that is:

- registered with the Australian Charities and Not-for Profits Commission as a “charitable organisation”; or
- a religious body.

If an organisation's charitable status changes or the purposes for which the property is used changes, it must notify Council.

Council will conduct a regular internal review of the properties to assess ongoing compliance.

Charter of Human Rights

It is considered that this Policy does not impact negatively on any rights identified in the *Charter of Human Rights and Responsibilities Act 2006*.

Gender Impact Assessment

The policy does not adversely impact community members or employees of different genders and has been developed in accordance with the *Gender Equality Act 2020*.

Review Date

The next review of this document is scheduled for completion by the Manager Finance on or before March 2029.

Appendix A

	Aspect of Tenancy	Applicant's Response	In Exclusive Occupation
1	Are residents responsible for 'day to day' management of unit?		Yes
2	Do residents pay for services used (eg. utilities)?		Yes
3	Do residents regard units as their private home?		Yes
4	Are units completely self contained?		Yes
5	Does each unit have an entrance/exit separate from other units?		Yes
6	Are residents free to invite visitors to stay in the unit?		Yes
7	Does the accommodation provider retain right of entry at their discretion?		No
8	Does accommodation provider retain a key to units?		No
9	Are residents free to furnish flats as they wish?		Yes
10	Are residents free to paint walls or make internal structural changes to unit etc?		Yes
11	Do residents select which unit they want to live in?		Yes
12	Is permission required for certain activities (eg. keeping pets)?		No
13	Is resident required to notify accommodation provider of intended absences?		No
14	Are standards for cleanliness of units prescribed by accommodation provider?		No
15	Is building insurance provided by accommodation provider?		No
16	Is a "Superintendent" available for repairs, assistance etc?		No
17	Is the tenancy covered by a standard (REIV) tenancy agreement?		Yes
18	Is resident able to be moved to other accommodation by accommodation provider?		No
19	Is tenancy part of a staged aged care program offered by the accommodation provider?		No
20	Are other institutional services provided by the accommodation provider?		No

A majority of the criteria that denote a resident has "exclusive occupancy" means that the property will be rateable.