

# Rates and Finance Symposium

15-16 February 2024

During the recent LGANT Rates Symposium, several questions were raised. To address these, we have put together Q&As and included the Gazette notice declaring conditional rates for 2023-24. We trust this Q&A will be both informative and useful to you.

Questions and Answers	
<b>LGANT Representative Question:</b>	<b>We understand some mining tenements have claimed rates exemptions as their operations are in care and maintenance. Can you please advise where in the LG Act, or other Act, this is stipulated (other than the hardship provision of the LG Act)? We understand that authorisation would have been provided to carry out mining activities by the relevant Minister before a mine can go into care and maintenance.</b>
<b>Department of the Chief Minister and Cabinet Answer:</b>	<p><i>Under the Local Government Act 2019 (LG Act), “mining tenement” means the following types of mineral and petroleum titles:</i></p> <p style="padding-left: 40px;"><i>under the Mineral Titles Act 2010:</i></p> <ul style="list-style-type: none"> <li><i>(i) an extractive mineral lease;</i></li> <li><i>(ii) an extractive mineral permit;</i></li> <li><i>(iii) a mineral lease;</i></li> <li><i>(iv) a mineral authority that corresponds with a mineral lease, an extractive mineral lease or an extractive mineral permit;</i></li> <li><i>(v) a mineral claim granted under the Mining Act 1980 and continued under section 204 of the Mineral Titles Act 2010 for which the Minister responsible for the administration of the Mineral Titles Act 2010 has not taken an action under section 203 of the Act; and under the Petroleum Act 1984:</i></li> <li><i>(vi) a production licence;</i></li> <li><i>(vii) a lease granted under the Petroleum (Prospecting and Mining) Act 1954 and continued under section 119(2) of the Petroleum Act 1984.</i></li> </ul> <p><i>All these titles are rateable, subject to any conditions the Minister sets out in the Gazette notice declaring the rates for the particular year (see section 219(2) of the LG Act).</i></p> <p><i>The Gazette notice declaring conditional rates for 2023-24 (copy attached) includes a condition that “if an Authorisation is required under section 35 of the Mining Management Act 2001 to conduct the commercial production of minerals on land occupied under a mining tenement, the mining tenement is conditionally rateable as specified in Schedule 2 only if an Authorisation has been granted under that Act”.</i></p> <p><i>If a mining tenement is authorised for the commercial production of minerals, it is conditionally rateable whether or not production is occurring, unless the authorisation has been varied (e.g. so that only rehabilitation is now authorised), revoked or lapsed. In other words, it is the authorisation, not the mining activity or lack of it, that matters for rating purposes.</i></p>

*If a mine has been placed into care and maintenance but the underlying mineral title is still authorised for commercial production, the title is conditionally rateable.*

**LGANT Representative Question:**

**We understand that DITT, the agency responsible for the Mining Management Act, are putting pressure on councils to exempt mining tenement leases when they're in care and maintenance. Can you please advise if DITT/Minister have authority to do this, and how councils are consulted and informed when mines are placed in care and maintenance.**

**Department of the Chief Minister and Cabinet Answer:**

*If a mineral title is authorised for the commercial production of minerals, it is conditionally rateable, irrespective of whether it is in care and maintenance. Councils are required to rate such a title under section 220 of the Local Government Act 2019 (**the Act**), it is not optional. What a council can consider is granting a rates concession, such as for financial hardship.*

*A decision to place a mine into care and maintenance would be made by the mine operator, generally for economic reasons. It is unlikely that a council would be consulted.*

*If a mineral title is authorised for the commercial production of minerals and is also subject to some rehabilitation activities, it is conditionally rateable. If a title is not authorised for the commercial production of minerals and is wholly in its rehabilitation phase, it is not rateable.*

**LGANT Representative Question:**

**If there are multiple mining leases on one rateable parcel, what do council's rate? I understand that in Qld, councils would get an assessment number/property ID for each lease so then each lease can be rated.**

**Department of the Chief Minister and Cabinet Answer:**

*Subject to Schedule 2, item 4 of the attached notice of conditional rates, each conditionally rateable mineral title can be rated.*

**LGANT Representative Question:**

**If there are multiple mining leases on one rateable parcel, what do council's rate? I understand that in Qld, councils would get an assessment number/property ID for each lease so then each lease can be rated.**

**Department of the Chief Minister and Cabinet Answer:**

*Section 225(3) of the Act enables councils to divide a parcel of land into separate allotments for rating purposes in certain circumstances. Some councils do this, e.g. for granny flats, and others do not.*

**LGANT Representative Question:**

**How do councils undertake debt collection on land when they can't sell the property due to the land tenure.**

**Department of the Chief Minister and Cabinet Answer:**

*With all rates debts, including rates assessed against ALRA land or petroleum or mineral titles, there are a number of ways that a council may be able to pursue them:*

- 1. If a ratepayer is not responding to a council's demands that overdue rates be paid, the council may wish to engage a debt collection service.*

2. *If the overdue rates debt is under \$25,000, it can be pursued through the Northern Territory Civil and Administrative Tribunal's small claims jurisdiction.*
3. *If the ratepayer is a company and the overdue rates debt is at least \$4,000, a Statutory Demand may be made under s 459E of the Corporations Act 2001 (Cth), requiring the company to pay the debt within 21 days or apply to the Federal Court to dispute the debt.*
4. *If the ratepayer is a natural person and the overdue rates debt is at least \$10,000, the council may apply to the Federal Circuit Court to make the person bankrupt should the debt not be paid.*

*For options 2, 3 and 4 above, a council may wish to first seek independent legal advice.*