Q&A Rent concessions and hardship relief for Crown land tenure holders

The Department of Primary Industries (the Department) administers leases, licences and occupancies over Crown land under the provisions of the Crown Lands legislation. The Department charges annual market rent for tenures on Crown land and provides a range of concessions to individuals and organisations.

This Q&A provides advice on what these concessions are, who can access them and how they are applied.

1. Rebates and Eligibility

1.1 What is a rebate?

A rebate is the amount of discount applied to the market rent on tenures when the holders’ rent is determined or redetermined. Rebates are provided in recognition of circumstances such as limited income or individuals and the level of community benefit provided by groups and organisations.

rebates cannot fall below the statutory minimum rent* - $431 + GST (as at 30/01/12) and is subject to CPI adjustments.

* From 1 July 2012 statutory minimum rent no longer applies to domestic waterfront tenures.

1.2 How do I apply for a rebate?

Crown tenure holders who meet the eligibility criteria can apply for a rebate by contacting a local office. However, holders must provide suitable evidence to satisfy their eligibility to be granted a rebate. Applications are considered on a case-by-case basis with supporting documents evidencing the applicant’s current financial situation.

1.3 How much of a rebate may I apply for?

Eligible pensioners whose holding is their sole place of residence are entitled to a 50% rebate or market rent provided the statutory minimum rent is met. The statutory minimum* is currently $431 + GST (as at 30/01/12) and is subject to quarterly CPI adjustments.

Community service, sporting and recreational organisations may be eligible to receive a rebate of up to 50% of market rent.

Western lands lease rebates vary depending on the type of holding. For more information contact the Western region (see section 4 for more information).

1.4 Can the rebate ever be more than 50%?

No. The 50% rebate to eligible individuals and community service, sporting or recreational organisations is set. However, where holders request additional concessions, it must be supported by documentary evidence showing financial hardship. For more information, go to section 2 on hardship relief.

1.5 Who is eligible for a rebate?

The Crown Lands Regulation 2006 clause 43 prescribes (4) four classes of holders who may be granted a rebate of rent and are defined as:

a) an eligible pensioner whose holding is occupied as his or her sole place of residence (or is an adjunct to that place of residence) and is not used for any commercial purpose

b) a community service, sporting or recreational organisation:

(i) that is the holder of an authority under the Charitable Fundraising Act 1991, or

(ii) that is incorporated under the Associations Incorporation Act 1984, or

(iii) that the Minister is satisfied is a non-profit organisation, whose holding is used as a help or service facility of benefit to the general community or as an active sporting, passive recreational or youth advancement facility of general benefit to a local community

c) an owner or occupier of residential property that is accessible only by water and whose holding contains a structure that is used for the purposes of obtaining access to the property and is not used for any commercial purpose

d) a local council whose holding is used to provide facilities, without charge, for the benefit of the general community.

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Pensioners

Eligibility for a rebate of rental is subject to the account holder producing a current Pensioner Concession Card. Cards are issued by Centrelink and the Commonwealth Department of Veterans Affairs (DVA) and recognise pension eligibility over a broad number of classes. These include a Centrelink Pensioner Concession Card and the following DVA cards.

- Repatriation health card (issued in the holder’s name only).
- Gold card endorsed totally and permanently incapacitated.
- War widow or widower.
- A letter from the DVA stating the holder receives a disability pension of 70% or higher or an intermediate or extreme disablement adjustment pension.

Only holders who can produce one of the above are considered for a pensioner rebate. The relevant card must be sighted by a Departmental officer, or the holder must produce a photocopy with a statutory declaration duly certifying that it is a true copy of the original document.

The following cards do not entitle the holder to receive a pensioner rebate.

- Pharmaceutical benefits card.
- Pensioner health care card.
- Health benefits card.
- Seniors card.

Community service, sporting or recreational organisations

Rebates of market rental apply to volunteer community service organisations where:

- The holder of an authority under the Charitable Fundraising Act 1991, or
- Is incorporated under the Associations Incorporation Act 1984, or
- The Minister is satisfied it is a non-profit organisation, whose holding is used as a help or service facility of benefit to the general community or as an active sporting, passive recreational or youth advancement facility of general benefit to a local community.

Such organisations must comply with the following criteria in order to be considered for a rebate of market rental. They must be:

- Using the holding for the specified purpose, and
- Clearly demonstrate the activities of the organisation are of benefit to the welfare of the community to justify a rebate of market rental.

Water access only residents

Water access only (WAO) licence holders are owners or occupiers of a residential property that is accessible only by water and whose holdings contain structures that are used for the purposes of obtaining access to their properties.

WAO licence holders are exempt from the rental charge for the area of occupancy that is for the sole purpose of accessing the adjoining waterfront property. There are no longer any WAO rebates.

This means that some WAO licence holders may be paying below the statutory minimum rent.

1.6 What if my circumstances change?

You must advise us of any change to your circumstances as it may affect the level of rebate you are entitled to receive. You can do this by contacting us immediately on 1300 052 637 or visiting your local office.

2. Hardship relief

2.1 What is hardship relief?

Hardship relief is designed to assist those tenure holders experiencing genuine financial difficulties which impact on their ability to pay rent on time. Hardship relief includes payment plans or extensions or time to pay, depending on each situation.

2.2 How do I apply for hardship relief?

If you are experiencing difficulty making your annual rental payments on time, you may contact the Debt Management Unit on 1300 052 637 (Option 4) to discuss your circumstances.

If your debt is greater than $1,000 you will need to submit an Application for hardship relief, attach supporting documents clearly evidencing your financial hardship and return it to Business Finance and Administration, Crown Lands Division, PO Box 2155, Dangar NSW 2309.

If you have a western lands lease you may contact Western Region on (02) 6883 3000 or visit the office at 45 Wingewarra Street, Dubbo or write to PO Box 1840, Dubbo NSW 2830.

2.3 What evidence do I need to provide for hardship relief?

Any application on accounts greater than $1,000 will need to be accompanied by supporting documents evidencing financial hardship. Supporting documentation from individuals includes any of the following.
• Centrelink – Exceptional circumstances certificate.
• Statement from bank manager.
• Rural Assistance Authority letter from rural financial councillors.
• Statement from accountant.
• Tax return/evidence of income.
• Medical certificate or letter from GP.

Organisations wishing to apply must provide audited financial statements, including income and expenditure statements, for the past two financial years.

2.4 Who assesses and determines my application?

Applications for hardship relief are assessed and determined by Business Finance and Administration Services. While each case is assessed on its merits the following criteria is also considered.

• The applicant’s ability to meet current and future payments based on the evidence provided to the Department.
• Any outstanding debt incurred from previous year(s).
  In the case of holders who incurred debts from the previous year as a result of financial hardship, the Department may at its discretion recommend that debt be carried over as part of any hardship relief.
• The applicant’s payment history including any concessions provided in the past.

The Department will advise the applicant of its determination and the reasons for its decision on a hardship application in writing.

2.5 What hardship options are available?

The Department will endeavour to negotiate a payment plan that is mutually convenient to both parties. Holders can choose either an extension of time to make full payment or choose a payment plan.

A payment plan includes the number of payments, the amount of each instalment and the frequency of payments you will need to make to clear the debt before your next payment falls due. Frequency of payments can be negotiated and usually range from monthly to quarterly. However, these arrangements attract interest for late payments on the reducing balance.

If you find your payment is too large to pay all at once, you can request to move to quarterly payments. You will need to contact the Department at least (8) eight weeks prior to the due date and if approved, it can be on a permanent basis. You will be issued with a tax invoice every quarter reflecting the new arrangements.

2.6 Will my personal information be protected?

The Department is committed to the principles or protecting, collecting, using and holding personal information in accordance with the Privacy and Personal Information Protection Act 1998.

2.7 How long does it take to consider my hardship application?

A decision based on the application will be determined as soon as practicable. Once a decision has been made you will be advised in writing.

2.8 Can I appeal the hardship decision?

Domestic waterfront licence holder may appeal the Department’s decision on their hardship relief application, if not satisfied.

A hardship appeal will be considered by a Departmental officer not previously involved with the original hardship application. The case will be assessed on its merits and with consideration of the criteria outlined in section 2.4.

2.9 Is there a time limit on hardship relief?

Yes. Hardship relief is granted for varying periods of time, depending when your next payment is due. Hardship relief can be in place for a maximum of 12 months. However, if financial circumstances have not changed, applicants may reapply when the next payment falls due.

3. Payments and interest

3.1 What payment options are available?

The Department offers a range of payment options including: POSTBillpay with Australia Post, in person at any Australian Post outlet, by phone 13 18 16 or at www.postbillpay.com.au using MasterCard or Visa, BPAY, by mail or in person at your local office using cash, cheque or money order.

3.2 How long do I have to clear my debt?

Once your payment plan is agreed to by both parties, you will be expected to clear any debt before your next payment is due. This time period varies depending on your holding. In some cases you may have a maximum 12 month period to clear any outstanding debt.

3.3 Is interest charged on outstanding amounts?

Yes. Interest accrues on outstanding amounts payable to the Crown at the prescribed rate of 11.13% pa (since 1 July 2009).

Interest on outstanding payments for Crown land tenures is applied 28 days after the due date, and is charged from the date rent is due until the debt is cleared.
Interest on outstanding payments for Western Lands Leases is applied 90 days after the due date, and is charged from the date rent is due until the debt is cleared.

3.4 What if I default on payment arrangements?

You will need to contact the Department to let us know if you cannot keep to the agreed payment arrangements. As long as you tell us, a re-negotiated arrangement may be put in place, depending on your situation.

However, continued non payment may lead to cancellation of the arrangement and the Department taking legal action against you to recover the debt. This will initially be in the form of a statement of claim being issued through the local court against you and you will incur costs. If legal action is instigated against you it could result in a default listing with a credit bureau. Action may also be taken to terminate or forfeit the holding for non payment of rent.

Further information

If you would like further information regarding rent concessions or hardship relief in relation to your specific account please contact 1300 052 637 or alternatively visit our website www.crownland.nsw.gov.au