

Circular to Councils

Subject/title	Rating information 2025-26
Circular Details	Circular No 25-06/ 10 April 2025 / A950795
Previous Circular	24/05 – Information about Rating 2024-25
Who should read this	General Managers / All council staff
Contact	Performance Team / (02) 4428 4100 / olg@olg.nsw.gov.au
Action required	Information / Council to Implement

What's new or changing?

- Maximum boarding house tariffs for 2025-26 have been determined
- Maximum interest rate payable on overdue rates and charges for 2025-26 has been determined
- Section 603 Certificate fee for 2025-26 has been determined
- Statutory limit on the maximum amount of minimum rates for 2025-26 has been determined

What will this mean for council?

- Councils should incorporate these determinations into their 2025-26 rating structures, Operational Plan and Revenue Policy.

Key points

Boarding House Tariffs

- In accordance with section 516 of the *Local Government Act 1993* (the Act), it has been determined that for the purpose of the definition of 'boarding house' and 'lodging house', the maximum tariffs, excluding GST, that a boarding house or lodging house may charge tariff-paying occupants are:

- a) Where full board and lodging is provided:
\$467 per week for single accommodation; or
\$770 per week for a family or shared accommodation.
 - b) Where less than full board or lodging is provided:
\$315 per week for single accommodation; or
\$518 per week for family or shared accommodation.
- Notice giving effect to these decisions has been published in the NSW Government Gazette (Government Gazette No 119 – 28th day of March 2025).

Maximum Interest Rate on Overdue Rates and Charges

- In accordance with section 566(3) of the Act, it has been determined that the maximum rate of interest payable on overdue rates and charges for the period 1 July 2025 to 30 June 2026 will be 10.5% per annum
- The methodology used to calculate the interest rate applicable for the period 1 June 2025 to 30 June 2026 is the Supreme Court methodology (the Reserve Bank cash rate plus 6%), rounded to the nearest half per cent. The cash rate used for the purposes of the maximum interest rate for local government is based on the cash rate set by the Reserve Bank of Australia on 10 December 2024
- Notice giving effect to these decisions has been published in the NSW Government Gazette (Government Gazette No 119 – 28th day of March 2025)

Section 603 Certificate

- Under section 603 of the Act, councils may issue a certificate as to the amount (if any) of rates, charges, etc. due or payable to the council for a parcel of land. Section 603(2) states the application must be accompanied by the approved fee. In accordance with the approved methodology, the approved fee for 2025-26 is determined to be \$100. This remains the same as the 2024-25 fee.
- This determination applies to the issuing of a certificate for the matters specified in section 603(2) of the Act. Where a council offers to provide other information as an optional service, the council is not prevented from separately determining an approved fee for that additional service. Furthermore, a council is not prevented from determining approved fees for additional services required by an applicant for the expedited processing of a Section 603 Certificate.

Statutory limit on the maximum amount of minimum rates

- Following a recommendation by Independent Pricing and Regulatory Tribunal (IPART), clause 126 of the Local Government (General) Regulation 2021 will be amended on 1

July 2025 by the Local Government (General) Amendment (Minimum Amounts of Rate) Regulation 2025, so that under section 548(3)(a) of the Act, the maximum amount of the minimum ordinary rate will be \$639 for 2025-26.

- The maximum amount of a minimum special rate (not being a water supply special rate or a sewerage special rate) prescribed by section 548(3)(b) of the Act will remain unchanged at \$2.

Where to go for further information

- Office of Local Government has further information available at <https://www.olg.nsw.gov.au/councils/council-finances/rating-and-special-variations/>.



Brett Whitworth
Deputy Secretary, Office of Local Government