

STANDING COMMITTEE ON PUBLIC ACCOUNTS Elizabeth Kikkert MLA (Chair), Michael Pettersson MLA (Deputy Chair), Andrew Braddock MLA

Inquiry into ACT Budget 2021–22 ANSWER TO QUESTION TAKEN ON NOTICE 20 October 2021

Asked by ELIZABETH KIKKERT MLA on 20 OCTOBER 2021: ANDREW BARR MLA took on notice the following question(s):

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In relation to:

THE CHAIR: Thank you. We will move on to output class 5, revenue management, unless any other members or Ms Lee have a question about economic management, financial management? Okay, let us roll on. Referring to the accountability indicators on page 55 of budget statement B, the interim outcome for indicator A shows the level of overdue rates as a percentage of total rates of revenue.

It is 10 per cent for 2020-21 compared with the targets of 5 per cent in 2020-21 and 2021-22. The interim outcome for general rates is \$612 million. Could you give a breakdown of the overdue rates into residential and commercial? And how many households and how many businesses are we talking about?

Mr Barr: We will take that one on notice. There is a reasonable amount of detail, I think, associated with that.

THE CHAIR: Okay, and maybe you might want to take this on notice or you may have it with you, the answer. How much of the overdue payments are authorised deferrals and how much is unauthorised non-payments?

Mr Barr: Yes, we will take that element on notice too. Obviously there is a considerable amount of agreed deferred payments that are pandemic-related.

ANDREW BARR MLA: The answer to the Member's question is as follows:-

As at 30 June 2021, the debt levels for residential properties was \$6,184,000 for authorised deferrals and \$36,307,000 for unauthorised non-payments.

As at 30 June 2021, the debt levels for commercial properties was \$14,370,000 for unauthorised non-payments.

Taxpayers in arrears with agreed payment plans are classified as unauthorised non-payments.

Under the *Taxation Administration Act 1999* property based taxes, including rates, are a charge on the land which ranks ahead of all other interests. Rates debts are therefore secured against the property, meaning the property cannot be sold without the debt being paid.

Approved for circulation to the Standing Committee on Public Accounts.

Signature: Andrea

Date: 5.11.21

By the Treasurer, Andrew Barr MLA