

Education Bureau Circular No. 14/2007

Refund of Rates and Government Rent

[Note: This circular should be read by

- (a) Supervisors and Heads of all aided primary schools, secondary schools and special schools, Caput schools and Direct Subsidy Scheme schools - for action; and*
- (b) Heads of Sections - for information.]*

Summary

This circular sets out the procedures for refund of rates and government rent to the aided, Caput and non-profit making Direct Subsidy Scheme (DSS) schools. Education Bureau Circular No. 4/2003 is hereby cancelled.

Payment Procedures

2. Rates and government rent paid by aided, Caput and non-profit-making DSS schools are refunded in the form of subventions. As rates and government rent are normally paid quarterly, the subsidy for rates and/or government rent is paid to the schools on a quarterly basis. For those schools located in public housing estates with rates and/or government rent charged by the Hong Kong Housing Authority together with the monthly rent, the subsidy for the rent, rates and/or government rent of these schools is paid to the schools before the end of each month.

3. The relevant payment procedures are set out in the attached Appendix. The main features of the procedures are as follows –

- (a) Subsidy based on the payment of the last quarter or month is paid into the schools' bank account before the due date and the schools have to settle the payment direct with the Treasury or the Hong Kong Housing Authority, where appropriate;
- (b) Schools are required to send receipted demand notes or rent cards, where appropriate, to the Education Bureau in mid March each year for checking; and
- (c) Schools should notify the Recurrent Subventions Section for any changes to rates and/or government rent arising from re-assessment of rateable value of the school premises.

Enquiries

4. If you have any enquiries on this circular regarding payment of subsidy for rates and/or government rent, please contact Recurrent Subventions Section as follows-

<u>School Type</u>	<u>Telephone Number</u>
Aided primary schools	2892 6232
Aided secondary schools	2892 6233
Aided special schools	2892 6234
DSS and caput schools	2892 6235

For enquiries on eligibility for subsidy for rates and/or government rent, please contact the respective Regional Education Offices.

Mrs Lily Tsang
for Permanent Secretary for Education

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Procedures for Payment of Subsidy for Rates and Government Rent

For existing schools

Payment of subsidy to schools

- The Education Bureau will pay the subsidy for rates and/or government rent into the schools' bank account before the end of the month in which payment of rates and/or government rent is due. Unless the subsidy has been adjusted in the meantime, the amount payable will be the same as that paid in the last quarter.
- For those schools located in public housing estates with rates and/or government rent charged by the Hong Kong Housing Authority together with the monthly rent, the Education Bureau will pay the subsidy into the schools' bank account before the end of each month.
- Should there be a rate rebate/ concession, the Education Bureau will announce special payment arrangement.

Payment of rates and government rent

- Schools should pay the rates and/or government rent to the Treasury direct on or before the due date.
- For those schools located in public housing estates with rates and/or government rent charged by the Hong Kong Housing Authority together with the monthly rent, schools should pay rates and/or government rent to the Housing Estate Management Office direct.
- Schools are encouraged to pay rates and/or government rent by autopay to ensure that payment will be made as required by the government. Schools using autopay facilities for such purpose should ensure that there are adequate funds in the relevant bank account on the due date. Government subsidy will not be provided to meet any penalty, surcharge or bank service charges arising from delay in making payment.

Future adjustment of subsidy

- In case the rates and/or government rent are revised as a result of re-assessment of the rateable value of the school premises, the school concerned should notify the Recurrent Subventions Section by completing the attached Form A. The Form A should reach the Recurrent Subventions Section within the first five working days of the month in which the new rates are due. Late notification may result in late adjustment to the subsidy for rates and/or government rent. Under all circumstances, schools should pay the new rates before the payment due date to avoid penalty or surcharge.
- In case the rates and/or government rent of the school has to be revised for reasons other than re-assessment of rateable value, the school should seek approval from their respective Regional Education Office of the change by completing the attached Form B. The Regional Education Office will, if necessary, adjust the amount of subsidy for rates and/or government rent. The existing subsidy will continue to be paid to the school pending approval of an adjusted rate of subsidy.

Submission of payment evidence

- In mid March each year, schools are required to send a copy of receipted demand notes issued by Rating and Valuation Department showing the payments of rates and/or government rent made from April last year to March of the current year to the Recurrent Subventions Section for checking. For those schools located in public housing estates with rates and/or government rent charged by the Hong Kong Housing Authority together with the monthly rent, they are required to send a copy of the rent card to the Recurrent Subventions Section for checking.
- Subsidies already paid to the schools are subject to adjustment where necessary.

For new and re-located schools

- Heads of new schools and re-located schools should apply to their respective Regional Education Office for refund of rates and/or government rent by completing Form B. For schools with any area that is not being used for school purposes, the application should be accompanied by –
 - (a) a sketch plan of the school premises clearly showing the area that is not being used for school purposes;
 - (b) the estimated floor area of the “school” and “non-school” portions; and/or
 - (c) in case there are areas being used for school purposes on a part-time basis, information on usage such as number of days used by the school per week or per month.
- As a matter of principle, areas not being used for school purposes will not count towards the calculation of subsidy for rates and government rent. Heads of schools should consult their respective Regional Education Office on eligibility for subsidy.

**Notification of Changes of Rates and/or Government Rent
arising from re-assessment of rateable value**

To: Permanent Secretary for Education
(Attn.: Recurrent Subventions Section)

The rates and/or government rent of my school premises have been revised with effect from _____ as follows –

	Previous amount per quarter/ month*	New amount per quarter/ month*
Rates	_____	_____
Government rent	_____	_____

Copies of the relevant Demand Notes/ rent card* are attached for reference.

I should be grateful if you would adjust the amount of subsidy for rates and/or government rent accordingly. I certify that there is no change in the area of school portion eligible for subsidy previously approved by the Education Bureau.

Signature of Supervisor: _____ Date: _____

Name of Supervisor: _____

Name of School: _____

School Code: _____

Contact person: _____

Telephone No.: _____ (School chop)

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*Delete as appropriate

Application for Refund of Rates and/or Government Rent

Section A (To be completed by school)

To: Permanent Secretary for Education
(Attn.: Senior School Development Officer ())

I wish to apply for refund of the following : –

Rates		Government rent		Public housing estate rent	
<u>Effective date</u>	<u>Amount per</u> <u>quarter/month*</u>	<u>Effective date</u>	<u>Amount per</u> <u>quarter/month*</u>	<u>Effective date</u>	<u>Amount per</u> <u>month</u>

Reasons for adjustment (*for existing schools*):

Copies of the relevant Demand Notes/ rent card/ and other supporting documents* are attached for reference.

I confirm that the above application has not included any tuckshop area in this school.

Signature of Supervisor: _____ Date: _____

Name of Supervisor: _____

Name of School: _____

School Code: _____

Contact person: _____

Telephone No.: _____ (School chop)

Section B (To be completed by SSDO)

To: Supervisor
(with copy to Recurrent Subventions Section)

The application in Section A above is approved/ subject to*

Signature: _____ Post: _____

Name: _____ Tel. No.: _____

Date: _____

*Delete as appropriate

EDB internal use only

RS Section:

I confirm that funds are available for the refund of rates and/ or government rent after consultation with the SAS2 Section.

Signature:

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SSDO()

Date: