

# Application of Dividends and Tax Equivalent Payments Policy

Policy Identifier: FIN-005-P  
Approved by: General Meeting  
Date of Approval: 19 June 2024  
Effective Date: 1 July 2024  
Review Date: 19 June 2025  
Version: 11

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## Head of Power

The establishment of this policy is consistent with the *Local Government Act 2009*, *Local Government Regulation 2012* and also the Local Government Tax Equivalent Regime (LGTER).

## Policy Objective

The objective is to clarify Council's intention for its use of financial returns received from commercialised or corporatised business activities and any subsidiaries or associates.

This policy applies to all of Redland City Council business areas. Redland Investment Corporation (RIC), being a wholly owned separate legal entity, and any of its subsidiaries may utilise the provisions of this policy but are not bound to the Redland City Council policy statements as outlined in this document.

## Policy Statement

Redland City Council, through its Corporate Plan, is committed to providing services that deliver our community's shared vision and collective aspirations: *Naturally wonderful lifestyle. Connected community. Embracing opportunities.* We are a values led organisation and our organisational values encapsulate what we care about, influence how we operate and support our mission: Make a difference, make it count.

The Application of Dividends and Tax Equivalent Payments Policy is aligned to the objectives of Council's Corporate Plan and is achieved through Council:

- Receiving dividends and tax equivalent payments from its commercialised business activities.
- Receiving dividends from its wholly owned subsidiary RIC.
- Looking to receive dividends and tax equivalent payments from any corporatised business activities, subsidiaries or associates in the future.

Additionally, Council is committed to:

- Transparently accounting, reconciling and reporting the receipt of such financial returns in accordance with the Australian Accounting Standards, the LGTER and, where applicable, the *Local Government Regulation 2012* (including, in particular, section 25 and schedule 4, section 8).
- Applying all financial returns to the provision of community benefit.

## Definitions

Nil

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## Associated Documents

Long-Term Financial Strategy  
 Annual Budget  
 Annual Report  
 Dividend Policy – Significant and Prescribed Business Activities ([A196653](#))

## Document Control

Only Council can approve amendments to this document by resolution of a Council Meeting, with the exception of administrative amendments which can be approved by the relevant ELT member. Refer to *Policy Instrument Development Manual* for an explanation on administrative amendments ([A4063988](#)).

Any requests to change the content of this document must be forwarded to relevant Service Manager(s).

Approved documents must be submitted to the Corporate Meetings and Registers Team for registration.

## Version Control

Version number	Date	Key Changes
4	April 2017	<ul style="list-style-type: none"> <li>Updated for Budget 2017-2018 process (only approval, effective and review dates changed)</li> <li>Document control section deleted</li> </ul>
5	March 2018	<ul style="list-style-type: none"> <li>Updated for Budget 2018-2019 process (only approval, effective and review dates changed)</li> <li>Inclusion of Policy Scope to clarify RIC is a separate legal entity</li> <li>Added in reference to RIC dividend received</li> <li>Added in reference to regulation in policy statement</li> </ul>
6	March 2019	<ul style="list-style-type: none"> <li>Updated for 2019-20 Budget process</li> <li>Inclusion of Document Control section</li> </ul>
7	May 2020	<ul style="list-style-type: none"> <li>Formatting changes per recommendations arising from Policy Review Project.</li> <li>Updated for 2020-21 Budget process</li> </ul>
8	April 2021	<ul style="list-style-type: none"> <li>Updated for 2021-22 Budget process</li> </ul>
9	March 2022	<ul style="list-style-type: none"> <li>Administrative update to include reference to the new Corporate Plan</li> <li>Updated for 2022-23 Budget process</li> </ul>
10	March 2023	<ul style="list-style-type: none"> <li>Updated for the 2023-24 Budget process</li> </ul>
11	April 2024	<ul style="list-style-type: none"> <li>Updated for the 2024-25 Budget process</li> </ul>