

RATING STRATEGY REVIEW (CONT.)

MITCHELL SHIRE COUNCIL

Council Meeting Attachment

CORPORATE SERVICES

18 APRIL 2016

8.3

RATING STRATEGY REVIEW

Attachment No: 1

Rating Strategy



Rating Strategy

Strategy Owner	Manager Finance Finance
Creation Date	2013/2014
Revision Date	5/04/2016

Please check Council's Intranet to ensure this is the latest Revision

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Purpose

Good governance requires Council to periodically review the appropriateness and effectiveness of its policies, as, over time, the level of knowledge, priority of issues and objectives of Council may alter. In relation to rating strategy, it is incumbent upon Council to evaluate whether the current rating system best satisfies the legislative requirements and Council's strategic objectives. In particular, Council must consider whether the rating system:

- reflects major changes to our demographics occurring between reviews;
- supports the Council Plan and Community 2020 Plan;
- ensures that rates income adequately contributes to the long term financial plan;
- ensures the equitable imposition of rates and charges as required under the Local Government Act with the inclusion of rate capping clauses; and
- educates stakeholders on the key issues and the rationale for applying rates, so the community has a higher likelihood of understanding Council decisions affecting rates.

Scope

The Rating Strategy is the method by which Council comprehensively considers issues of importance that informs its decisions about rating policy. The Rating Strategy establishes the policy framework for the bases on which Council will levy rates on property within the municipal district. The aims and objectives of the Rating Strategy are to:

- develop and monitor connectivity between the Council strategic plans and budget, and the rates and charges structure;
- demonstrate that Council has consistency and comparability when levying rates on various sectors of the community; and
- articulate the rate setting process, thereby gaining greater community acceptance of the rating outcomes.

STATUS OF RATING STRATEGY

It is acknowledged that all statements in the Rating Strategy concerning the types and levels of rates and charges to be applied by Council are in principle statements only and are not intended to bind Council or otherwise fetter Council's discretion with respect to such matters. It is further acknowledged that any decision as to types and levels of any rates and charges to be declared will not be made until Council has given public notice of Council's proposed budget and considered any submissions received in response to the public notice in accordance with sections 129 and 223 of the *Local Government Act* 1989.

RATING STRATEGY PRINCIPLES

In developing and/or revising the Rating Strategy, the following rating principles shall apply:

- the rating strategy should be administratively simple to implement, represent an efficient method of property taxation and be relatively easy to understand;
- while general rates are not a user pay mechanism, elements of the rating strategy should embrace the user pays principle where practicable and desirable;
- aspects of the Rating Strategy shall endeavour to promote and encourage development throughout the municipal district;
- the declaration of higher or lower differential rates on different categories of land is intended to assist in the achievement of Council's objectives and purposes, and reasons for imposing differential rates at particular levels may include:
 - the direct or indirect utilisation and consumption of Council assets;
 - the reduced or increased utilisation and consumption of Council assets;
 - the socio-economic environment developed and maintained by the Council with respect to the municipal district; *and/or*
 - the ability or inability of land to produce a greater capacity to pay;
- in response to unforeseen economic or environmental events or a change to strategic objectives, Council may, as part of its annual budget process:
 - increase a differential rate;
 - decrease a differential rate;
 - introduce a new differential rate category;
 - cease an existing differential rate category; or
 - modify the Rating Strategy; and
- rates and charges must be levied at levels which ensure that there is sufficient funding to meet the cost of providing and maintaining Council's infrastructure assets and services for the benefit of current and future communities.

RATING STRATEGY STATEMENTS

Differential Rating - Sec 161 Local Government Act:

Council proposes to raise general rates by the application of differential rates because it considers that the differential rates will contribute to the equitable and efficient carrying out of its functions.

Objectives of differential rating

Council has a diverse mix of land with respect to geographical locations and land uses. The establishment of differential categories ensures greater equity and appropriate contribution from rates according to land use characteristics in relation to affordability and taxation principles. The general objectives of each of the differential rates is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including:

- advocating and promoting proposals which are in the best interests of the local community;
- planning for and providing services and facilities for the local community;
- providing and maintaining community infrastructure in the municipal district;
- undertaking strategic and land use planning for the municipal district;
- raising revenue to enable Council to perform its functions;
- making and enforcing local laws;
- exercising, performing and discharging the duties, functions and powers of Council under the *Local Government Act 1989* and other Acts; and
- any other function relating to the peace, order and good government of the municipal district.

Each differential rate may also have specific objectives.

Council has determined that the rating objectives described are best supported by the declaration of the proposed differential rates having regard to the tax design principles of equity, simplicity, efficiency, sustainability, cross border competitiveness and competitive neutrality.

It is proposed that the following ratios be applied to each differential rate category, however it is recognized that the ratios may need to be varied as part of the annual budget having regard to above Differential Rating clause:

Differential Category	Ratio
General Land	1.00
Vacant Land	2.00
Vacant Commercial or Industrial Land	2.10
Rural Agricultural Land (40ha-100ha)	0.90
Rural Agricultural Land (greater than 100ha)	0.80
Subdivisional Land	2.00

Note that the differential ratio for Vacant Commercial or Industrial land will increase by 0.1 per annum from 2016/17 until the differential ratio for the category reaches a cap of 2.5.

Service Rate & Charges - Section 162 of Local Government Act:

Council may levy a service charge for, among other things, the collection and disposal of refuse. In determining the amount of the service charge to be levied, Council will have regard to the budgeted cost of providing the relevant service and any strategic objectives relating to the service.

Special Rates and Charges - Section 163 of Local Government Act:

Council may levy special rates or charges for the funding of defined projects where special benefit will accrue to the persons required to pay the special rates or charges.

Municipal Charge - Section 159 of Local Government Act:

Council proposes to levy a municipal charge to ensure that some of its fixed administrative costs are recovered as a uniform contribution by all of its ratepayers, subject to any exemption granted pursuant to section 159(3) of the *Local Government Act 1989*. Council proposes that the amount of the municipal charge be calculated at approximately 17%, which is less than the maximum allowable limit of 20% of the sum total of the general rate and municipal charge revenue, divided by the number of applicable charges.

Basis of Rating - Section 157 of Local Government Act:

Council proposes to use the capital improved value system of valuation as the basis of calculating general rates.

Interest on Overdue Rates - Section 172 of Local Government Act:

Council will charge interest on overdue rates at the rate prescribed pursuant to the *Penalty Interest Rates Act 1983* and applied on the first day of July immediately before the due date for the payment.

Recovery of Overdue Rates - Section 180 of Local Government Act:

Recovery of overdue rates shall be in accordance with the *Debt Recovery Policy*.

Methods of Rate Payment

Rate payment methods to be offered shall be by Bpay, Phone, Internet, Post Office, Mail, Customer Service Centres and Direct Debit.

Due Date for Payment - Section 167 of Local Government Act:

Council requires payment of all rates and charges (other than a special rate or charge) in four (4) periodic instalments or, alternatively, ten (10) monthly instalments where a direct debit agreement is entered into. Council does not offer an in-full payment date, but a ratepayer may voluntarily pre-pay any number of instalments before their respective due dates.

Deferred Payment - Section 170 of Local Government Act:

Applications for deferment of rates will be assessed in accordance with the *Rates and Charges Hardship Policy* and section 170 of the *Local Government Act 1989*.

Waiver – Pensioner Concessions - Section 171(4) of Local Government Act:

The Council will administer the State Government Pensioner Rate Concession in accordance with the *State Concessions Act 1986* and section 171 of the *Local Government Act 1989*.

Waiver - Rates and/or Interest – Financial Hardship - Section 171A of Local Government Act:

Applications for deferment of rates will be assessed in accordance with the *Rates and Charges Hardship Policy* and section 171A of the *Local Government Act*.

Ex-Gratia Rates

Council may negotiate an ex-gratia contribution from property owners exempt from paying rates. Council will seek to ensure that the amount of any such contribution is aligned with or close to the differential rate category which would apply to that property if the property were rateable.

APPLICATION OF THE RATING STRATEGY

Rateable and non-rateable land shall be subject to regular review and audit. The application of the Rating Strategy to individual land may be influenced by the following events:

- revaluation,
- when building permits or subdivisions occur,
- upon sale or transfer of land,
- upon inspection by Council, or
- upon application or enquiry by the ratepayer.

Non-rateable land shall be reviewed bi-annually in respect to its continuing eligibility to be non-rated.

CATEGORIES OF LAND TO WHICH DIFFERENTIAL RATES ARE PROPOSED TO APPLY

Definition of Land

In this clause, the term “**land**” means a parcel or multiple parcels of land for which a single valuation has been returned pursuant to the *Valuation of Land Act 1960* and upon which a single rate notice is issued by Council.

1. General Land Differential Rate

1.1. Definition of the type or classes of land which are proposed to be subject to the General Land Differential Rate:

General Land is all rateable land which is not subject to any other differential rate.

1.2. Statement of reasons for the proposed use and level of the General Land Differential Rate in relation to those types or classes of land:

The General Land Differential Rate is the default rate in instances where land does not meet the characteristics of any other differential rate. As such, it has a differential ratio of 1.0 and is the base around which all other differential rate ratios are determined.

The objective of the *General Land* Differential Rate is to ensure that the land makes an equitable financial contribution to cost of carrying out the functions of Council in accordance with the general objectives of differential rating adopted by Council.

1.3. Identification of the types or classes of land which are proposed to be subject to the General Land Differential Rate in respect of:

- **uses of the land:**
Any use which is consistent with the definition of General Land.
- **geographic location of the land:**
Anywhere within Council's municipal district.
- **planning scheme zoning of the land:**
Any zone within the Mitchell Planning Scheme.
- **types of buildings on the land:**
Any buildings which are consistent with the definition of General Land.
- **any other criteria relevant to the General Land Differential Rate:**
Nil

1.4. The characteristics of the land which are the criteria for declaring the General Land Differential Rate:

General Land is rateable land which is not subject to any other differential rate.

2. Vacant Land Differential Rate:

2.1. Definition of the type or classes of land which are proposed to be subject to the Vacant Land Differential Rate:

Vacant Land is rateable land located wholly or partly in one of the planning zones listed below where -

- there is no building constructed on the land; or
- any buildings located on the land are considered to be -
 - in the case of a dwelling, unfit for human habitation; or
 - in the case of any other building, unfit for use for the purpose for which it was originally constructed -
- by Council's municipal building surveyor or another officer of Council authorized for this purpose -

but excludes any land that:

- is subject to the Rural Agricultural Land (40ha to 100ha) Differential Rate; or
- is subject to the Rural Agricultural Land (greater than 100ha) Differential Rate; or
- is subject to the Vacant Commercial or Industrial Differential Rate; or

- is subject to the Subdivisional Land Differential Rate.

2.2. Statement of reasons for the proposed use and level of the Vacant Land Differential Rate in relation to those types or classes of land:

The Vacant Land Differential Rate applies to land situated in a planning zone in which residential development is encouraged and supported. As vacant land valuations are typically one-half of developed land, the ratio applied to this rate represents an equalisation factor between the Vacant Land Differential Rate and General Land Differential Rate.

The objective of the Vacant Land Differential Rate differential rate is to ensure that land makes an equivalent contribution towards the services and facilities invested in by the Council, as there is an expectation that these services and facilities will be immediately available upon development of the land.

2.3. Identification of the types or classes of land which are proposed to be subject to the Vacant Land Differential Rate in respect of:

- **uses of the land:**

Any use.

- **geographic location of the land:**

Anywhere in Council's municipal district, which is wholly or partially within one or more of the planning zones listed below.

- **planning scheme zoning of the land:**

Land which is wholly or partially within one or more of the following planning zones under the Mitchell Planning Scheme:

CDZ1	Comprehensive Development Schedule 1
CDZ2	Comprehensive Development Schedule 2
LDRZ	Low Density Residential
MUZ	Mixed Use
R1Z	Residential 1
RLZ	Rural Living

- **types of buildings on the land:**

As per the definition of Vacant Land above.

- **any other criteria relevant to the Vacant Land Differential Rate:**

The Vacant Land Differential Rate excludes Rural Agricultural Land (40ha to 100ha) Differential Rate or the Rural Agricultural Land (greater than 100ha) Differential Rate due the reduced demand and supply of services and facilities in rural localities.

The Vacant Land Differential Rate excludes Subdivisional Land as the existence of a planning permit to subdivide is a precursor to the application of the Vacant Land Differential Rate.

2.4. The characteristics of the land which are the criteria for declaring the Vacant Land Differential Rate:

Rateable land located wholly or partly in one of the planning zones listed below where-

- there is no building constructed; or
- any building located on the land is considered to be –
 - in the case of a dwelling, unfit for human habitation; or
 - in the case of any other building unfit for use for the purpose for which it was originally constructed -
- by Council's municipal building surveyor or another officer of Council authorized for this purpose -

but excludes any land that:

- is subject to the Rural Agricultural Land (40ha to 100ha) Differential Rate; or
- is subject to the Rural Agricultural Land (greater than 100ha) Differential Rate; or
- is subject to the Vacant Commercial or Industrial Differential Rate; or
- is subject to the Subdivisional Land Differential Rate.

3. Vacant Commercial or Industrial Land Differential Rate:

3.1. Definition of the type or classes of land which are proposed to be subject to the Vacant Commercial or Industrial Land Differential Rate:

Vacant Land Commercial or Industrial is rateable land located wholly or partly in one of the planning zones listed below where -

- there is no building constructed on the land; or
- any buildings located on the land are considered to be -
 - in the case of a dwelling, unfit for human habitation; or
 - in the case of any other building, unfit for use for the purpose for which it was originally constructed -
- by Council's municipal building surveyor or another officer of Council authorized for this purpose -

but excludes any land that:

- is subject to the Rural Agricultural Land (40ha to 100ha) Differential Rate; or
- is subject to the Rural Agricultural Land (greater than 100ha) Differential Rate;
- is subject to the Subdivisional Land Differential Rate.

3.2. Statement of reasons for the proposed use and level of the Vacant Commercial or Industrial Land Differential Rate in relation to those types or classes of land:

The Vacant Commercial or Industrial Land Differential Rate applies to land situated in a planning zone in which commercial or industrial development is encouraged and supported. As vacant land valuations are typically one-half of developed land, the ratio applied to this rate represents an equalisation factor between the Vacant Commercial or Industrial Land Differential Rate and General Land Differential Rate , this is in addition to a factor then applied to encourage development of vacant commercial or industrial land and to discourage land-banking.

The objective of the Vacant Commercial or Industrial Land Differential Rate is to ensure that land makes an equivalent contribution towards the services and facilities invested in by the Council, as there is an expectation that these services and facilities will be immediately available upon development of the land.

3.3. Identification of the types or classes of land which are proposed to be subject to the Vacant Commercial or Industrial Land Differential Rate in respect of:

- **uses of the land:**

Any use.

- **geographic location of the land:**

Anywhere in Council's municipal district, which is wholly or partially within one or more of the planning zones listed below.

- **planning scheme zoning of the land:**

Land which is wholly or partially within one or more of the following planning zones under the Mitchell Planning Scheme:

BZ1	Business 1
B2Z	Business 2
B4Z	Business 4
IN13Z	Industrial 1
IN1Z	Industrial 1
IN3Z	Industrial 3

- **types of buildings on the land:**

As per the definition of Vacant Land above.

- **any other criteria relevant to the Vacant Commercial or Industrial Land Differential Rate:**

The Vacant Commercial or Industrial Land Differential Rate excludes Rural Agricultural Land (40ha to 100ha) Differential Rate or the Rural Agricultural Land (greater than 100ha) Differential Rate due the reduced demand and supply of services and facilities in rural localities.

The Vacant Commercial or Industrial Land Differential Rate excludes Subdivisional Land.

3.4. The characteristics of the land which are the criteria for declaring the Vacant Commercial or Industrial Land Differential Rate:

Rateable land located wholly or partly in one of the planning zones listed above where-

- there is no building constructed; or
- any building located on the land is considered to be unfit for use for the purpose for which it was originally constructed -

- by Council's municipal building surveyor or another officer of Council authorized for this purpose -

but excludes any land that:

- is subject to the Rural Agricultural Land (40ha to 100ha) Differential Rate; or
- is subject to the Rural Agricultural Land (greater than 100ha) Differential Rate; or
- is subject to the Subdivisional Land Differential Rate.

4. Rural Agricultural Land (40ha to 100ha) Differential Rate:

4.1. Definition of the type or classes of land which are proposed to be subject to the Rural Agricultural Land (40ha to 100ha) Differential Rate:

Rural Agricultural Land (40ha to 100ha) is rateable land -

- that is cumulatively across all land owned by the ratepayer not less than 40 hectares and not greater than 100 hectares in area;
- that is wholly contained within, or is contiguous with land outside of, the municipal district;
- that is used primarily for grazing (including agistment), dairying, pig-farming, poultry-farming, fish-farming, tree-farming, bee-keeping, viticulture, horticulture, fruit-growing or the growing of crops of any kind or for any combination of those activities; and
- that is used by a business-
 - that has a significant and substantial commercial purpose or character;
 - that seeks to make a profit on a continuous or repetitive basis from its activities on the land;
 - that is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way that it is operating; and
 - that is registered with the Australian Taxation Office as a primary producer

4.2. Statement of reasons for the proposed use and level of the Rural Agricultural Land (40ha to 100ha) Differential Rate in relation to those types or classes of land:

The objective of the Rural Agricultural Land (40ha to 100ha) Differential Rate is set at a lower rate than the General Land Differential Rate in recognition that occupiers of the Rural Agricultural Land (40ha to 100ha) tend to utilize and consume Council assets and services at a lower rate, relative to the land occupied by them, than occupiers of General Land.

The Rural Agricultural Land (40ha to 100ha) Differential Rate is also intended to provide incentive for the retention of Rural Agricultural Land (40ha to 100ha) within the municipal district in agricultural usage.

4.3. Identification of the types or classes of land which are proposed to be subject to the Rural Agricultural Land (40ha to 100ha) Differential Rate in respect of:

- **uses of the land:**

As per the definition above of Rural Agricultural Land (40ha to 100ha).

- **geographic location of the land:**

Anywhere within Council's municipal district which is consistent with the definition of Rural Agricultural Land (40ha to 100ha).

- **planning scheme zoning of the land:**

FZ	Farming Zone
UGZ	Urban Growth Zone

- **types of buildings on the land:**

Any buildings consistent with the definition of Rural Agricultural Land (40ha to 100ha).

- **any other criteria relevant to the Rural Agricultural Land (40ha to 100ha) Differential Rate:**

Nil

4.4. The characteristics of the land which are the criteria for declaring the Rural Agricultural Land (40ha to 100ha) Differential Rate:

Rural Agricultural Land (40ha to 100ha) is rateable land -

- that is cumulatively across all land owned by the ratepayer not less than 40 hectares and not greater than 100 hectares in area;
- that is wholly contained within, or is contiguous with land outside of, the municipal district;
- that is used primarily for grazing (including agistment), dairying, pig-farming, poultry-farming, fish-farming, tree-farming, bee-keeping, viticulture, horticulture, fruit-growing or the growing of crops of any kind or for any combination of those activities; and
- that is used by a business –
 - that has a significant and substantial commercial purpose or character;
 - that seeks to make a profit on a continuous or repetitive basis from its activities on the land;
 - that is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way that it is operating; and
 - that is registered with the Australian Taxation Office as a primary producer

5. Rural Agricultural Land (greater than 100ha) Differential Rate:

5.1. Definition of the type or classes of land which are proposed to be subject to the Rural Agricultural Land (greater than 100 ha) Differential Rate:

Rural Agricultural Land (greater than 100ha) is rateable land –

- that is cumulatively across all land owned by the ratepayer greater than 100 hectares in area; and
- that is wholly contained within, or is contiguous with land outside of, the municipal district;

- that is used primarily for grazing (including agistment), dairying, pig-farming, poultry-farming, fish-farming, tree-farming, bee-keeping, viticulture, horticulture, fruit-growing or the growing of crops of any kind or for any combination of those activities; and
- that is used by a business –
 - that has a significant and substantial commercial purpose or character;
 - that seeks to make a profit on a continuous or repetitive basis from its activities on the land;
 - that is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way that it is operating; and
 - that is registered with the Australian Taxation Office as a primary producer

5.2. Statement of reasons for the proposed use and level of Rural Agricultural Land (greater than 100 ha) Differential Rate in relation to those types or classes of land:

The objective of the Rural Agricultural Land (greater than 100ha) is set at a lower rate than the General Land Differential Rate in recognition that occupiers of the Rural Agricultural Land (greater than 100ha) tend to utilize and consume Council assets and services at a lower rate, relative to the land occupied by them, than occupiers of General Land.

The Rural Agricultural Land (greater than 100ha) Differential Rate is also intended to provide incentive for the retention of Rural Agricultural Land (greater than 100ha) within the municipal district in agricultural usage.

5.3. Identification of the types or classes of land which are proposed to be subject to the Rural Agricultural Land (greater than 100 ha) Differential Rate in respect of:

- **uses of the land:**

As per the definition above of Rural Agricultural Land (greater than 100ha).
- **geographic location of the land:**

Anywhere within Council’s municipal district that is consistent with the definition of Rural Agricultural Land (greater than 100ha).
- **planning scheme zoning of the land:**

FZ	Farming Zone
UGZ	Urban Growth Zone
- **types of buildings on the land:**

Any buildings that are consistent with the definition of Rural Agricultural Land (greater than 100ha).
- **any other criteria relevant to the Rural Agricultural Land (greater than 100 ha) Differential Rate:**

Nil

5.4. The characteristics of the land which are the criteria for declaring the Rural Agricultural Land (greater than 100 ha) Differential Rate:

Rural Agricultural Land (greater than 100ha) is rateable land:

- that is cumulatively across all land owned by the ratepayer greater than 100 hectares in area; and
- that is wholly contained within, or is contiguous with land outside of, the municipal district;
- that is used primarily for grazing (including agistment), dairying, pig-farming, poultry-farming, fish-farming, tree-farming, bee-keeping, viticulture, horticulture, fruit-growing or the growing of crops of any kind or for any combination of those activities; and
- that is used by a business –
 - that has a significant and substantial commercial purpose or character;
 - that seeks to make a profit on a continuous or repetitive basis from its activities on the land;
 - that is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way that it is operating; and
 - that is registered with the Australian Taxation Office as a primary producer

6. Subdivisional Land Differential Rate:

6.1. Definition of the type or classes of land which are proposed to be subject to the Subdivisional Land Differential Rate:

- Subdivisional Land is rateable land for which -
- a planning permit to subdivide the land into three (3) or more lots has been issued and has not lapsed; and
- a separate certificate of title has not been issued for any of those lots;

but excludes any land that:

- is subject to the Vacant Commercial or Industrial Differential Rate; or
- is subject to the Rural Agricultural Land (40ha to 100ha) Differential Rate; or
- is subject to the Rural Agricultural Land (greater than 100ha) Differential Rate.

6.2. Statement of reasons for the proposed use and level of Subdivisional Land Differential Rate in relation to those types or classes of land:

Subdivisional Land by definition is the originator of land before it becomes subject to Vacant Land Differential Rate. It is considered Subdivisional Land should make the same equitable contribution towards the services and facilities invested in by the Council as the Vacant Land Differential Rate.

The objective of the Subdivisional Land Differential rate is to ensure makes an equitable financial contribution towards direct and indirect costs attributable to land development within Council's municipal district, including increases in:

- utilisation of Council road infrastructure; and/or
- noise, dust and environment monitoring; and/or
- local law compliance; and/or

- provision of services and facilities by Council; and/or
- administration costs for rateable properties created by the Subdivisional Land

6.3. Identification of the types or classes of land which are proposed to be subject to the Subdivisional Land Differential Rate in respect of:

- **uses of the land:**

Any use

- **geographic location of the land:**

Anywhere in Council's municipal district

- **planning scheme zoning of the land:**

Nil

- **types of buildings on the land:**

Any buildings.

- **any other criteria relevant to the Subdivisional Land Differential Rate:**

The Subdivisional Land Differential Rate excludes Rural Agricultural Land (40ha to 100ha) Differential Rate or the Rural Agricultural Land (greater than 100ha) Differential Rate due the reduced demand and supply of services and facilities in rural localities.

6.4. The characteristics of the land which are the criteria for declaring the Subdivisional Land Differential Rate:

Subdivisional Land is rateable land for which -

- a planning permit to subdivide the land into three (3) or more lots has been issued and has not lapsed; and
- a separate certificate of title has not been issued for any of those lots.

but excludes any land that:

- is subject to the Vacant Commercial or Industrial Differential Rate; or
- is subject to the Rural Agricultural Land (40ha to 100ha) Differential Rate; or
- is subject to the Rural Agricultural Land (greater than 100ha) Differential Rate.

CULTURAL & RECREATIONAL LAND

The *Cultural and Recreational Lands Act* 1963 provides for the levying of reduced rates on land used by not-for-profit bodies for outdoor sporting, recreational and cultural activities. Section 4(1) of this Act states, in part, that:

“there shall be paid to the municipal council as rates in each year such amount as the municipal council thinks reasonable having regard to the services provided by the municipal council in relation to such lands and having regard to the benefit to the community derived from such recreational lands”.

It is proposed that a reduced rate equivalent to 50% of the full General Land Differential Rate plus 100% of any service charge be applied to these properties.

STRATEGY REVIEW

This strategy may be subject to change as part of the annual budget process having.

Responsibilities

Rate and Revenue Team will be responsible in implementing this Strategy.

Related Documents

Local Government Act 1989

Valuation of Land Act 1960

Debt Recovery Policy

Land Management Rebate Policy

Council Plan

Community 2020 Plan

Environment Strategy

Ministerial Guidelines for Differential Rating