



# GREATER SHEPPARTON CITY COUNCIL RATING STRATEGY 2017–2021

Updated 2018-2019



GREATER  
SHEPPARTON

MAKING  
**GREAT  
THINGS**  
HAPPEN







A photograph of a person sitting on a dark wooden bench in a park. The person is seen from the back, wearing a dark jacket and blue jeans. The ground is covered with fallen autumn leaves. In the background, there are green trees and a clear sky. A large tree with vibrant autumn foliage (yellow, orange, and red leaves) is in the upper left corner, partially obscuring the sky. The overall scene is peaceful and scenic.

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# INTRODUCTION

## Summary

Council's current rating strategy was developed in 2012. A review of the strategy has been undertaken to ensure the equitable distribution of rates continues in accordance with the Local Government Act and Ministerial Guidelines.

It is important to note that the focus of the Rating Strategy is different to that of the Annual Budget. The rating system determines how Council will raise money from properties within the municipality; it does not influence the total amount of money to be raised, only the share of revenue contributed by each property. The rating system comprises the valuation base and actual rating instruments allowed under the Local Government Act 1989 (the Act) that are used to calculate an individual property owner's liability for rates.

## Key Elements

Council's Rating Strategy 2017-2021 is framed around the following key elements:

1. That Greater Shepparton City Council continues to apply differential rating as its rating system.
2. That separate differential rates not be introduced for properties defined as retirement/lifestyle villages.
3. That the amount raised by the municipal charge be reduced to 8.82% of the total municipal charge and general rate revenue.
4. That the basis of valuation for rating purposes continue to be Capital Improved Value.

Other information incorporated into Council's rating strategy includes details regarding the property valuation process, payment due dates and payment options, interest on arrears, the government funded pensioner rebate and financial hardship.



# RATING FRAMEWORK

## What are Rates?

Councils collect rates (which are a form of property tax) from property owners to fund community infrastructure and services that benefit the whole community.

In Victoria property values are used as the basis for calculating how much each property owner pays.

A rating strategy doesn't consider how much Council needs to raise from rates, this is calculated in the annual budget based on the Rate Cap declared by the Minister for Local Government.

A rating strategy considers the fair and equitable share of rates to be paid by each type of property owner (residential, farms, commercial properties etc.)

## Statutory Requirements

The objectives of local government in Victoria are set out in the Local Government Act 1989 (The Act) and includes the statutory requirement 'to ensure the equitable imposition of rates and charges' as follows:

A council may declare the following rates and charges on rateable land—

- a) general rates under section 158;
- b) municipal charges under section 159;
- c) service rates under section 162;
- d) service charges under section 162;
- e) special rates under section 163;
- f) special charges under section 163.

## Revenue and Rating Principles

### Efficiency

Efficiency is an important principle in the levying of rates; there are two elements of efficiency.

Economic efficiency is measured by the extent to which production and consumption decisions by people are affected by tax. A rating system should be neutral, in that it is not discriminatory and ensures that a ratepayer will not alter his situation or be influenced in his actions by any taxation effect.

The efficiency of a tax also relates to the cost of administration. A rating system should be administratively efficient, in the sense that it should provide required income to council without being consumed by administrative costs.

### Simplicity

The taxation principal of simplicity revolves around how easily the system can be understood by the public and the ease of administration.

A simple rating system would have a limited number of rating classifications, be both easy and practical to administer and simple for taxpayers to comply with. The system should be transparent and capable of being questioned and challenged by ratepayers.

### Equity

Equity has two broad sub-categories in its application to rates:

1. Horizontal equity: in which ratepayers with similar property values should pay similar rates; and
2. Vertical equity: embraces the view that those with more or who are better off pay more tax than those who are worse off. This primarily applies to income tax assessment in distributing the tax burden.

There is frequent debate surrounding the characteristics of property owners that may impinge on the application of an equity principle. The three main ways in which positions can vary are:

- the benefit or user pays principle – some ratepayers have more access to, make more use of, and benefit more from the council services paid for by rates
- the capacity to pay principle – some ratepayers have more ability to pay rates than do others with similarly valued properties
- the incentive or encouragement principle – some ratepayers may be doing more towards achieving council goals than others in areas such as environmental or heritage protection.

### **Benefits Received**

The benefits received principle applies to most tax systems, however it is difficult to rationalise a relationship between rates paid and services provided by local government. Instead, rates are tax used to finance various forms of “public goods, services and community obligations” not necessarily in direct relation to user benefit, but ultimately of benefit to the community as a whole. In this respect, rates are a general purpose levy not linked to user pays principles. Other charges such as waste services are linked to costs associated with the service.

### **Capacity to Pay**

The capacity to pay principle stands in contrast to the benefits received principle. Its measurability may be either determined by wealth or income. In the case of local government rating, it is determined on the value of property which reflects wealth, rather than the actual income of the ratepayer. It is highlighted that over the lifetime of a taxpayer, the relativity between income and wealth may vary significantly.

Simultaneously applying all of the above principles may not always be feasible; there are likely to be trade-offs among them. The challenge of a preferred rating strategy is one of appropriately balancing competing considerations.

# COUNCIL'S RATING SYSTEM

The general rating framework for Local Government was set out in research undertaken for development of the Local Government Act 1989. The research recommended that property rating should be based on the following objectives:

1. The entire community should contribute to the unavoidable costs of Local Government;
2. Where feasible, services should be funded on a user pays system;
3. Where specified, local objectives can be achieved using differential rates; and,
4. Residual service costs should be apportioned on the basis of property valuation.

## Differential Rates

A council may raise any general rates by the application of a differential rate if it uses the capital improved value system of valuing land. If a council declares a differential rate for any land, the council must specify the objectives of the differential rate. A council must have regard to any Ministerial Guidelines before declaring a differential rate for any land. The Ministerial Guidelines published in April 2013 were prepared to guide councils in the application of differential rates under Section 161 of the Local Government Act 1989.

Differential rates are a useful tool to address equity issues that may arise from the setting of council rates derived from property valuations.

**It is recommended that council continue to use a differential rating system.**

## General Rate

Applies to land with an area less than 20ha which is not being used for Primary Production, Commercial or Industrial purposes. Applies to improved & unimproved rateable land.

## Farm Rate

Applies to land with an area greater than 2ha that undertakes a farming activity

## Commercial/Industrial Rate

Applies to land that is used primarily for, or is capable of use for the sale of goods or services and/or for industrial purposes including manufacturing, processing, repairing and servicing. Applies to improved & unimproved rateable land.

## Cultural and Recreational Land

Under the Cultural and Recreational Land Act 1963, provision is made for a Council to grant a rating concession to any recreational lands which meet the test of being rateable land under the Local Government Act 1989.

Outdoor recreational lands developed primarily for regional use as evidenced by paid administrative support and/or commercial business dealings in their operation or management are currently granted a rates concession under the provisions of the Cultural and Recreational Land Act 1963.



PROPERTY LOCATION	RATEPAYER NAME
71 Gowrie Street TATURA	Hilltop Golf and Country Club
160-200 Ross Street TATURA	Tatura and Shepparton Racing Club
7580 Goulburn Valley Highway KIALLA	Shepparton Trotting Club
2 Fairway Drive MOORoopna	Mooroopna Golf Club Inc
15 Golf Drive SHEPPARTON	Shepparton Golf Club Inc
55 Rudd Road SHEPPARTON	Shepparton Golf Club Inc
7582 Goulburn Valley Highway KIALLA	Shepparton Greyhound Racing Club

The level of the differential rate is set at 73% of the residential improved rate.

### ***Retirement/Lifestyle Villages***

Over the past few years retirement villages across the State have recommended a reduction in the rates levied against retirement village properties on the basis that they maintain the road and drainage network within the village and are also responsible for their own street lighting.

However retirement villages have access to infrastructure up to the village boundary, like all other properties. Their situation is similar to other 'common properties' such as apartment and unit complexes. The residents have equal access to the services provided by the Council. Properties within a retirement village generally have lower values and this is already reflected in the lower amount of rates paid. In addition, all villages have common property including, gardens, roads, footpaths, office and leisure areas. Despite these surrounding amenities being privately owned and used to generate income, they are not rated.

Residents within retirement villages are also charged to use the waste service and most receive a pensioner discount.

Council again reviewed this option as part of the 2018/2019 Budget submission process.

***It is not recommended to introduce a differential rate for retirement villages.***



## Municipal Charge

A municipal charge as provided under Section 159 of the Local Government Act 1989 allows councils to raise up to 20% of their rates from a flat base amount per assessment across the municipality. The purpose of the municipal charge is defined by Local Government Victoria is to “cover some of the administrative costs of the council, including property valuations, rates administration and cashing, councillor support and office of the chief executive.” Where multiple properties form part of a single farming enterprise, exemptions may be granted to eligible properties upon application.

A municipal charge does not raise additional revenue but distributes the rates in a way that Council considers to be fairer and more equitable. If there were no municipal charge the rate in the dollar would be greater, making the rates themselves higher and increasing the difference between the rates levied on high and low valued properties. A municipal charge helps to ensure that owners of low valued properties contribute a reasonable amount to meeting the unavoidable costs of local government.

***It is recommended that the amount raised by the municipal charge be reduced to 8.82% of total rate revenue.***

## Property Valuation Base

Property values are used to calculate general rates for each property. Council currently used the Capital Improved Value (CIV) for rating purposes. CIV represents the market value of a property as at a specific date, including the value of the land and any improvements on that land. Utilising CIV as the basis for rates allows council to adopt differential rating, which may better reflect capacity to pay rather than the alternatives and provides council with the flexibility to levy differential rates. The vast majority of Victorian Councils use CIV as the basis for levying rates and charges.

***It is recommended that council continue to use Capital Improved Value as the basis of valuation for rating purposes.***

## Revaluation

Every two years, Council engages independent, licensed valuers as contractors to satisfy its statutory requirement under the Valuation of Land Act 1960 to conduct a review of property values based on market movements and recent sales trends. For the 2018-2019 rating year, valuations will be based on values returned as at 1 January 2018.

Revaluations result in varying levels of valuation movements across the municipality, which sometimes results in major shifts in the rate burden and large movement in rates for individual properties.

There is a common misconception that as property values increase, council receives a ‘windfall gain’ of additional revenue. This is not so as the revaluation process may result in a redistribution of the rate burden across all properties in the municipality.

Total income from rates is determined by the council, during the budget process based on the Rate Cap declared by the Minister for Local Government. In order to generate the same amount of rate revenue, in simple terms, as property values increase, the rate in the dollar is reduced.



## Supplementary Rates

In certain circumstances, valuations must be performed between general valuations. These are known as supplementary valuations and are undertaken for reasons listed under Section 13DF of the Valuation of Land Act, including when properties are:

- physically changed - for example, when buildings are altered, erected or demolished; or
- amalgamated, subdivided, portions sold off, rezoned or are affected by road construction.

Supplementary valuations bring the value of the affected property into line with the general valuation of other properties within the municipality. Values are assessed at the same date of the general valuation currently in use.





DIFFERENTIAL RATES HISTORY							
	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
Residential Unimproved	100%	100%	100%	100%	100%	100%	100%
Residential Improved	100%	100%	100%	100%	100%	100%	100%
Farm Land	100%	95%	90%	90%	90%	90%	90%
Rural Residential	100%	100%	100%	100%	100%	100%	100%
Commercial Unimproved	140%	172%	200%	200%	200%	200%	205%
Commercial Improved 1	301%	257%	217%	217%	217%	217%	205%
Commercial Improved 2	304%	262%	200%	200%	200%	200%	205%
Industrial Unimproved	169%	185%	200%	200%	200%	200%	205%
Industrial Improved 1	267%	136%	204%	204%	204%	204%	205%
Industrial Improved 2	332%	102%	200%	200%	200%	200%	205%
Cultural & Recreation Land	73%	73%	73%	73%	73%	73%	73%
Municipal Charge	\$214.00	\$227.00	\$238.00	\$250.00	\$256.00	\$262.00	\$195

The Rating Differential's were reduced from 11 to four in the 2018/2019 Budget. The table below summarises the changes

2017/2018 Rating Strategy (Old)	
Differential	% of Residential Rate
Residential	100%
Residential Unimproved	100% of the Residential Rate
Rural Residential	100% of the Residential Rate
Commercial Unimproved	200% of the Residential Rate
Commercial 1	217% of the Residential Rate
Commercial 2	200% of the Residential Rate
Industrial Unimproved	200% of the Residential Rate
Industrial 1	204% of the Residential Rate
Industrial 2	200% of the Residential Rate
Farm	90% of the Residential Rate
Municipal Charge	\$262

2018/2019 Rating Strategy (New)	
Differential	% of General Rate
General	100%
Commercial/Industrial	205% of the General Rate
Farm	90% of the General Rate
Municipal Charge	\$195

NUMBERS OF ASSESSMENTS VS. BUDGET INCOME VS. % OF RATES INCOME TABLE			
	Number of Assessments	Budget Income 2018/2019	Percentage Rates Income
Residential Unimproved	919	\$836,069	1.25%
Residential Improved	22123	\$29,971,722	44.86%
Farm Land	2925	\$7,637,828	11.43%
Rural Residential	2345	\$4,709,469	7.05%
Commercial Unimproved	67	\$427,513	0.64%
Commercial Improved 1	1341	\$10,036,564	15.02%
Commercial Improved 2	302	\$1,210,911	1.81%
Industrial Unimproved	91	\$446,192	0.67%
Industrial Improved 1	550	\$4,160,988	6.23%
Industrial Improved 2	123	\$1,425,851	2.13%
Cultural & Recreation Land	7	\$53,058	0.08%
Municipal Charge	30224	\$5,893,680	8.82%
		<b>\$66,809,845</b>	<b>100.00%</b>



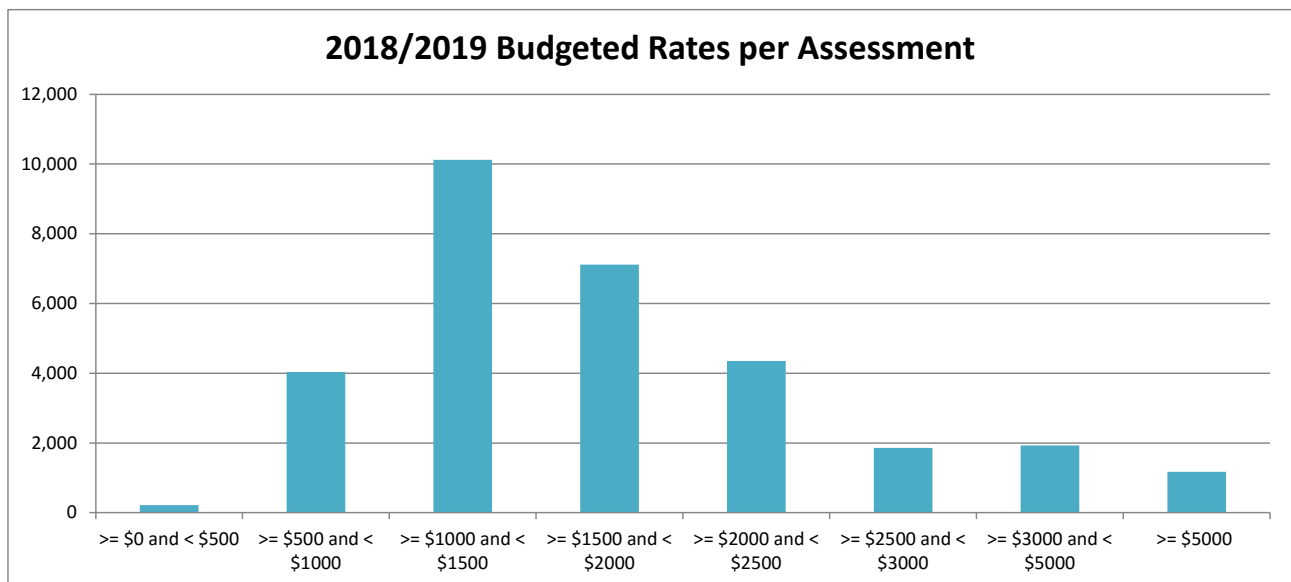
## Median Examples

RESIDENTIAL	2017/2018	2018/2019
Median CIV	\$240,000	\$240,000
Differential Rate Ratio	100%	100%
Differential Rate in the Dollar	0.00508452	0.00515660
Rate in Dollar Increase %		1.42%
"General Differential Rate [Rate in the Dollar x CIV]"	\$1,220.28	\$1,237.58
Municipal Charge	\$262.00	\$195.00
<b>TOTAL CONSOLIDATED RATES REVENUE</b>	<b>\$1,482.28</b>	<b>\$1,432.58</b>
Total Change from 17/18 \$		-\$49.70
Total Change from 17/18 %		-3.35%
Weekly Change from 17/18 \$		-\$0.96

COMMERCIAL/ INDUSTRIAL	2017/2018	2018/2019
Median CIV	\$357,000	\$357,000
Differential Rate Ratio	217%	205%
Differential Rate in the Dollar	0.01103341	0.01057103
Rate in Dollar Increase %		-4.19%
"General Differential Rate [Rate in the Dollar x CIV]"	\$3,938.93	\$3,773.86
Municipal Charge	\$262.00	\$195.00
<b>TOTAL CONSOLIDATED RATES REVENUE</b>	<b>\$4,200.93</b>	<b>\$3,968.86</b>
Total Change from 16/17 \$		-\$232.07
Total Change from 16/17 %		-5.52%
Weekly Change from 16/17 \$		-\$4.46

FARM	2017/2018	2018/2019
Median CIV	\$460,000	\$460,000
Differential Rate Ratio	90%	90%
Differential Rate in the Dollar	0.00457607	0.00464094
Rate in Dollar Increase %		1.42%
"General Differential Rate [Rate in the Dollar x CIV]"	\$2,104.99	\$2,134.83
Municipal Charge	\$262.00	\$195.00
<b>TOTAL CONSOLIDATED RATES REVENUE</b>	<b>\$2,366.99</b>	<b>\$2,329.83</b>
Total Change from 16/17 \$		-\$37.16
Total Change from 16/17 %		-1.57%
Weekly Change from 16/17 \$		-\$0.71

#### Budgeted Rates and Municipal Charge per Assessment



70% of ratepayers will be paying \$2,000.00 or less per annum in Council Rates.

\*\*This charge does not include waste service charges or Fire Services Property Levy\*\*







# REQUIREMENTS FOR PAYMENT OF RATES AND CHARGES

## Liability to Pay Rates

Under section 156 of the Act, the owner of any rateable land is liable to pay the rates and charges on that land. If the owner cannot be found the occupier is liable to pay. If rates are unpaid they are regarded as the first charge on the land and are recoverable by legal proceedings. Council may sell the land in order to recover any debt as a result of the non-payment of rates and charges, including the costs of the legal action.

## Payment Due Date for Rates

Council will allow Rates and Charges to be paid on one of two ways:

### BY FOUR INSTALMENTS

Payments must be made on or before the following dates fixed by the Minister by notice published in the Government Gazette:

- 1st Instalment – due by 30 September
- 2nd Instalment – due by 30 November
- 3rd Instalment – due by 28 February
- 4th Instalment – due by 31 May

### BY TEN DIRECT DEBIT INSTALMENTS

Payments will be deducted from your account on the last Friday of each month, commencing in September and ending in June of each rating period.

To apply to pay by ten monthly instalments, you must complete and return a Direct Debit Request Form at least two business days prior to the September direct debit payment.

If these payment options do not suit a ratepayers needs they need to contact the Rates Team to discuss an alternative arrangement.

## Interest on Late Payments

In accordance with Section 172 of the Local Government Act 1989, the Council may charge interest on any late payments. The interest is to be calculated at the rate fixed by the Attorney-General under section 2 of the Penalty Interest Rates Act 1983 that applied on the first day of July immediately before the due date.

Interest will be charged on all balances unpaid after the due dates. Interest is charged from the date on which each missed instalment was due, until the account is paid in full.

## Payment Methods

Council offers an extensive range of payment options for ratepayers to pay their accounts:

- Payment online using a Mastercard or Visa
- Payment by BPay
- Payment by Direct Debit
- Payment through the Mail
- Payment at any Australia Post agency
- Payment by Centrepay
- Payment by Phone using a Mastercard or Visa

Where a customer wishes to pay their account by direct debit or Centrepay, the amount they nominate must be sufficient to ensure the account is paid by the due dates.

## Payment Difficulties/ Financial Hardship

Ratepayers who are experiencing difficulty in paying their rates should contact Council immediately to discuss payment options.

All enquiries are treated confidentially, and early communication may help prevent the commencement of costly legal action for the recovery of outstanding rates.

Council has recently reviewed its Hardship Policy which provides the options available to those in difficulty.

## Debt Recovery – Collection of Overdue Rates

In the event that an account becomes overdue, Council will issue an overdue final notice which includes interest charges. If the account remains unpaid Council may take legal action without any further notice to recover any overdue amount. This may include the selling of the property by way of Section 181 proceedings. All fees and court costs are recoverable from the ratepayer.

## Pensioner Rate Concessions

A municipal rates subsidy is available to eligible pension card holders for their principal place of residence. This provides a 50 per cent rebate up to a maximum amount set by the State Government each year.

Health Care Card holders are ineligible for the rebate.

## Rate Rebate for Covenanted Areas

A conservation covenant is a voluntary agreement between Trust for Nature and the landowners. It is placed on the title of the land to ensure that the natural bushland is permanently protected.

The Council offers a rate rebate to landowners who register a Trust for Nature conservation covenant on their property. The rebate acknowledges the long-term commitment of these landowners to conserving the biodiversity on their land.

Landowners will receive a rebate of up to \$20 per hectare of land placed under covenant. The total rebate will depend on the rated value of the covenanted area, with a minimum payment of \$100 and a maximum payment of \$1000.

## Rate Rebate for Retail Land Occupied by Charitable Organisations

Charitable Organisations are able to apply to Council for a rebate of 50 per cent of the current year's general rate and municipal charge, in respect of Retail Land, where the use of the retail premises for the sale of goods contributes to the objectives of the Charitable Organisation by providing benefits to the community as a whole.

The retail land must be within the municipality that is occupied. The rebate will not apply to service rates and charges or special rates and charges.

Applicants need to reapply each financial year.



## Special Rates and Charges

Council has the power to levy a special rate or special charge, or a combination of special rate and charge, to fund service provision under Section 163 of the Act. A special rate or charge can be used if Council deems that a special benefit is received by those properties on which it is levied. Council need not necessarily use property value as the basis for levying a special rate or charge.

Special Rates and/or Special Charges have been used by councils to fund things like:

- The promotion of a retail shopping centre;
- The promotion of a commercial business precinct;
- The construction of a road;
- The construction of a footpath; and
- The provision of drainage infrastructure.

Council may have several special rates and charges schemes in place at any one time, however, the proliferation of these schemes is not a practical option, particularly given the impact on efficiency as each scheme has to be justified, advertised and managed. The consideration of such schemes should be on a case by case basis as to whether revenue collection issues would be better addressed by general rates or user charges.

## Service Rates and Charges

Kerbside waste collection services are provided in urban areas and rural areas abutting the sealed road network. The charge for a waste/recyclables service is compulsory for all residential properties in urban areas (whether or not the service is used) and optional in areas outside the urban boundary.

The waste service charges account for the various costs associated with the provision of waste management services; including a recycling service, waste disposal and management, development, rehabilitation and operation of the Council's landfills in accordance with Environment Protection Authority License, waste minimization promotion and education, management and administration of the waste, recycling and green organic collection contracts and the provision of a weekly kerbside waste collection service and fortnightly recyclables and organic waste collection services.

The Council incurs the State Government's imposed EPA levy associated with the disposal of waste into landfill. Unfortunately the Council will need to pass these costs onto residents.

Waste services charges are not subject to the rate cap.

SERVICE CHARGES	2018-2019 CHARGE	2018-2019 REVENUE
240L Waste/Recyclables Service	\$409	\$3,784,068
120L Waste/Recyclables Service	\$244	\$2,014,220
80L Waste/Recyclables Service	\$183	\$1,963,773
120L or 240L Recyclables Only Service	\$83	\$25,647
120L or 240L Green Organic Waste Service	\$83	\$1,884,017
<b>TOTAL</b>		<b>\$9,671,725</b>





# APPENDIX A – DIFFERENTIAL RATE DEFINITIONS

## General Land

### **Objective:**

To ensure that equitable contribution is obtained from general rates in respect of rateable land, as appropriate having regard to land characteristics, to the cost of carrying out the functions of Council, including the cost of:

1. Construction and maintenance of public infrastructure
2. Development and provision of health and community services
3. Provision of general support services

### **Types and Classes:**

Rateable land having the relevant characteristics described below:

- i. Used primarily for residential purposes; or
- ii. any land that is not defined as Farm Land or Commercial/Industrial Land

### **Use and Level of Differential Rate:**

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

### **Geographic Location:**

Wherever located within the municipal district.

### **Use of Land:**

Any use permitted under the relevant Planning Scheme.

### **Planning Scheme Zoning:**

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme.

### **Types of Buildings:**

All buildings which are now constructed on the land or which are constructed prior to the end of the Financial Year.

## Farm Land

### Objective:

To ensure that equitable contribution is obtained from general rates in respect of rateable land, as appropriate having regard to land characteristics, to the cost of carrying out the functions of Council, including the cost of:

1. Construction and maintenance of public infrastructure
2. Development and provision of health and community services
3. Provision of general support services

### Types and Classes:

Rateable land having the relevant characteristics described below:

Any land which is “farm land” within the meaning of Section 2(1) of the Valuation of Land Act 1960.

Farm land means any rateable land-

- a) that is not less than 2 hectares in area; and
- b) that is used primarily for grazing (including agistment), dairying, pig-farming, poultry-farming, fish-farming, tree-farming, bee-keeping, viticulture, fruit-growing or the growing of crops of any kind or for any combination of those activities; and
- c) that is used by a business-
  - i. that has significant and substantial commercial purpose or character; and
  - ii. that seeks to make a profit on a continued basis from its activities on the land; and
  - iii. that is making a profit from its activities on the land, or has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way it is operating.

### Use and Level of Differential Rate:

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

The level of the differential rate is set at 90 per cent of the general rate. The farm rate is lower than other classes because farming operations involve large properties which have significant value and which are often operated as family concerns. Agricultural producers are unable to pass on increases in costs like other businesses. It is also in recognition that farm businesses profitability is affected by weather and international markets, which means that their income is more susceptible and fragile than many other businesses.

### Geographic Location:

Wherever located within the municipal district.

### Use of Land:

Any use permitted under the relevant Planning Scheme.

### Planning Scheme Zoning:

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme.

### Types of Buildings:

All buildings which are now constructed on the land or which are constructed prior to the end of the Financial Year.



## Commercial/Industrial Land

### Objective:

To ensure that equitable contribution is obtained from general rates in respect of rateable land, as appropriate having regard to land characteristics, to the cost of carrying out the functions of Council, including the cost of:

1. Construction and maintenance of public infrastructure
2. Development and provision of health and community services
3. Provision of general support services

### Types and Classes:

Rateable land having the relevant characteristics described below:

- i. is used primarily for, or has the capacity of use primarily for the sale of goods or services; or
- ii. is used primarily for, or is capable of use primarily for industrial purposes, which includes manufacturing, processing, repairing and servicing; or
- iii. is unimproved land but which, by reason of its locality and zoning under the relevant Planning Scheme, would – if developed – be to be likely to be used primarily for the sale of goods or services or other Commercial purposes; or
- iiii. is unimproved land but which, by reason of its locality and zoning under the relevant Planning Scheme, would – if developed – be to be likely to be used primarily for industrial purposes.

### Use and Level of Differential Rate:

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

The level of the differential rate is set at 205 per cent of the general land rate. The differential is higher than for other classes as it acknowledged both the taxation benefit allowed to commercial and industrial properties and the relatively lower capacity to pay the General & Farm classes.

### Geographic Location:

Wherever located within the municipal district.

### Use of Land:

Any use permitted under the relevant Planning Scheme.

### Planning Scheme Zoning:

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme.

### Types of Buildings:

All buildings which are now constructed on the land or which are constructed prior to the end of the Financial Year.



## CONTACT US

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**Web:** [www.greatershepparton.com.au](http://www.greatershepparton.com.au)

Join the conversation:    

Greater Shepparton City Council is NRS friendly. If you are deaf, hearing-impaired, or speech-impaired, we ask that you call us via the National Relay Service:

**TTY users:** 133 677 then ask for (03) 5832 9700.

**Speak & Listen users:** (speech-to-speech relay) 1300 555 727 then ask for (03) 5832 9700.

**Internet relay users:** Connect to the National Relay Service via [www.relayservice.com.au](http://www.relayservice.com.au) and then ask for (03) 5832 9700.

A hearing loop is also available at Council's customer service centre and Council meeting rooms.



Interpreter service available.