



Local Government Act 1995
PROPOSED
DIFFERENTIAL RATING 2020/2021
STATEMENT OF OBJECTS AND REASONS

The Shire of Denmark proposed the following differential rating categories on all rateable land in its district, in 2020/2021

Description	Characteristics	Objects	Reasons
Non-Rural Improved	All properties: a) held or used for Non-Rural Purposes and not for Holiday Purposes; and; b) that are not currently vacant	The object of this rate is to apply a base rate to improved land that is held or used for Non-Rural Purposes, excluding Holiday Purposes.	To ensure that all ratepayers within the differential rate category make a reasonable contribution towards the ongoing maintenance and provision of works, services and facilities in the Shire. To achieve the required amount of revenue from the differential rate category.
Holiday Purposes	All properties held or used: a) for Non-Rural purposes; and; b) for Holiday Purposes	The object of a higher rate in the dollar for this category is to raise additional revenue to fund the level of service provided to these properties and the costs that result from visitors to these properties. The rate recognises the impact of such properties on infrastructure, the environment, housing availability and affordability within the Shire.	To assist in meeting the additional costs associated with providing tourism related infrastructure and services.
Vacant	All properties: a) held or used for Non-Rural purposes; and; b) that are currently vacant	The object of a higher rate in the dollar for this category is to encourage development within the Shire.	To encourage vacant land owners to develop their land. To avoid excessive vacant land leaving subdivisions barren and aesthetically unappealing. To stimulate the local economy and support affordable housing through supply.
Rural	All properties held or used for Rural purposes	The object of the rate in the dollar for this category is to set an appropriate rate for properties held or used for Rural purposes.	To ensure that ratepayers within the differential rate category make a reasonable contribution towards the ongoing maintenance and provision of works, services and facilities in the Shire. To achieve the required amount of revenue from the differential rate category.

Pursuant to section 6.36 (3A) of the Local Government Act (1995), the basis on which the Shire determines that a property is held or used is as follows:

- **Non-Rural Purposes** – a property is determined to be held or used for Non-Rural Purposes where the method of valuation used for the property for the purposes of rating is the Gross Rental Value (GRV) of the property.
- **Holiday Purposes** – a property is determined to be held or used for Holiday Purposes where the property is operating as a holiday home or holiday accommodation or where it has been granted planning approval by

the Shire to operate as a holiday home or holiday accommodation and where the method of valuation is on a non-commercial basis.

- **Rural** – a property is determined to be held or used for Rural Purposes where the method of valuation used for the property for the purposes of rating is the Unimproved Value (UV) of the property.

A Notice of Intention to Levy Differential Rates 2020/2021 was advertised from July 2 2020 in the Albany Advertiser. The notice has been placed on public notice boards, the Shire of Denmark Website and Facebook. Advertisements will also be placed in the Walpole Weekly and Denmark Bulletin.

Submissions Close 24 July 2020.