

SHIRE OF DENMARK
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2027

2. RATES

(a) Rating Information

Rate Description	Basis of valuation	Rate in dollar	Number of properties	Rateable value*	2026/27 Budgeted rate revenue	2026/27 Budgeted interim rates	2026/27 Budgeted total revenue	2025/26 Actual total revenue	2025/26 Budget total revenue
(i) General rates									
1. Improved	Gross rental valuation	0.086758	2,497	\$ 66,753,439	\$ 5,791,395	\$ 57,720	\$ 5,849,115	\$ 5,371,352	\$ 5,373,541
2. Holiday Purposes	Gross rental valuation	0.169178	96	2,282,020	386,068	0	386,068	411,368	411,368
3. Vacant	Gross rental valuation	0.172649	209	2,932,390	506,274	0	506,274	491,350	491,350
4. Rural	Unimproved valuation	0.003795	412	368,961,050	1,400,207	0	1,400,207	1,322,132	1,322,132
5. Rural - Add Use - Holiday	Unimproved valuation	0.004934	6	4,322,000	21,325	0	21,325	23,376	23,376
6. Rural - Add Use - Commercial	Unimproved valuation	0.006452	11	10,473,000	67,572	0	67,572	63,672	63,672
Total general rates			3,231	455,723,899	8,172,841	57,720	8,230,561	7,683,250	7,685,439
(ii) Minimum payment									
		Minimum \$							
1. Improved	Gross rental valuation	1,612	544	7,281,588	876,928	0	876,928	827,064	827,064
2. Holiday Purposes	Gross rental valuation	1,935	0	0	0	0	0	0	0
3. Vacant	Gross rental valuation	1,578	196	1,319,410	309,288	0	309,288	281,200	281,200
4. Rural	Unimproved valuation	1,853	244	87,482,416	452,132	0	452,132	411,906	411,906
5. Rural - Add Use - Holiday	Unimproved valuation	2,407	3	1,236,000	7,221	0	7,221	6,774	6,774
6. Rural - Add Use - Commercial	Unimproved valuation	3,519	9	4,224,000	31,671	0	31,671	29,709	29,709
Total minimum payments			996	101,543,414	1,677,240	0	1,677,240	1,556,653	1,556,653
Total general rates and minimum payments			4,227	557,267,313	9,850,081	57,720	9,907,801	9,239,903	9,242,092
					9,850,081	57,720	9,907,801	9,239,903	9,242,092
Waivers (Refer note 2(f))							(86,826)	(81,345)	(81,343)
Total rates					9,850,081	57,720	9,820,975	9,158,558	9,160,749

The Shire did not raise specified area rates for the year ended 30th June 2027.

*Rateable Value at time of adopting budget.

All rateable properties within the district used predominately for non-rural purposes are rated according to their Gross Rental Valuation (GRV), all other properties are rated according to their Unimproved Valuation (UV)

The general rates detailed for the 2026/27 financial year have been determined by Council on the basis of raising the revenue required to meet the estimated deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than general rates and also considering the extent of any increase in rating over the level adopted in the previous year.

The minimum payments have been determined by Council on the basis that all ratepayers must make a reasonable contribution towards the ongoing maintenance of public assets, infrastructure and facilities, as well as the provision of community services throughout the Shire.

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2. RATES (CONTINUED)

(b) Interest and Administration Charges and Instalments

The following instalment options are available to ratepayers for the payment of rates and service charges.

Option 1 (Full Payment)

Full amount of rates and charges including any arrears, to be paid on or before 14 October 2026.

Option 2 (Two Instalments)

First instalment to be paid on or before 14 October 2026, including all arrears and half the current rates and service charges; and
 Second instalment to be paid on or before 16 December 2026.

Option 3 (Four Instalments)

First instalment to be paid on or before 14 October 2026, including all arrears and one quarter of the current rates and service charges; and
 Second instalment to be paid on or before 16 December 2026; and
 Third instalment to be paid on or before 17 February 2027; and
 Fourth instalment to be paid on or before 21 April 2027.

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
Option one		\$	%	%
Single full payment	14/10/2026	0	0.0%	11.0%
Option two				
First instalment	14/10/2026	0	0.0%	11.0%
Second instalment	16/12/2026	13.10	5.5%	11.0%
Option three				
First instalment	14/10/2026	0	0.0%	11.0%
Second instalment	16/12/2026	13.10	5.5%	11.0%
Third instalment	17/02/2027	13.10	5.5%	11.0%
Fourth instalment	21/04/2027	13.10	5.5%	11.0%

	2026/27 Budgeted revenue	2025/26 Actual revenue	2025/26 Budget revenue
	\$	\$	\$
Instalment plan charges	27,000	26,553	24,000
Instalment plan interest	28,400	27,302	26,200
Late payment of rate or service charge interest	55,000	54,214	42,000
	110,400	108,069	92,200

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2. RATES (CONTINUED)

(c) Objectives and Reasons for Differential Rating

To provide equity in the rating of properties across the Shire the following rate categories have been determined for the implementation of differential rating.

Rate Description	Characteristics	Objects	Reasons
1. Improved	All properties held or used for non-rural purposes, not for holiday purposes, and currently not vacant.	To apply a base rate to improved land that is held or used for non-rural purposes.	To ensure that all ratepayers make a reasonable contribution towards the ongoing maintenance of public assets, infrastructure and facilities, as well as the provision of community services throughout the Shire.
2. Holiday Purposes	All properties held or used for non-rural purposes and for holiday purposes	The object of a higher rate in the dollar (95% premium on the improved rate in the dollar) for this category is to provide fairness and equity across different types of residential land use.	To ensure that all ratepayers make a reasonable contribution towards the ongoing maintenance of public assets, infrastructure and facilities, as well as the provision of community services throughout the Shire. To reduce the significant disparity between the valuation of properties used for holiday purposes and those used as owner-occupier residents. Properties used for short term rentals generate higher gross rental income compared to properties used for long term residential purposes.
3. Vacant	All properties held or used for non-rural purposes and currently vacant.	The object of a higher rate in the dollar (99% premium on the improved rate in the dollar) for this category is to encourage absent owners of vacant land to develop and infill to improve the local economy and improve the local visual amenity of the town.	To ensure that all ratepayers make a reasonable contribution towards the ongoing maintenance of public assets, infrastructure and facilities, as well as the provision of community services throughout the Shire. The development of all vacant rateable land is in the best interests of the community as it will improve the vibrancy of the Shire.

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2. RATES (CONTINUED)

(c) Objectives and Reasons for Differential Rating (continued)

Rate Description	Characteristics	Objects	Reasons
4. 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 all ratepayers make a reasonable contribution towards the ongoing maintenance of public assets, infrastructure and facilities, as well as the provision of community services throughout the Shire. To achieve the required amount of revenue from the differential rate category.
5. Rural - Additional Use - Holiday	All properties held or used for rural purposes and have additional holiday use(s).	The object of the rate in the dollar (30% premium on the base rural rate) for this category is to recognise the additional holiday use(s).	To ensure that all ratepayers make a reasonable contribution towards the ongoing maintenance of public assets, infrastructure and facilities, as well as the provision of community services throughout the Shire. To reduce the disparity between the valuation of properties used for holiday purposes and those used for rural purposes.
6. Rural - Additional Use - Commercial	All properties held or used for rural purposes and have additional commercial use(s).	The object of the rate in the dollar (70% premium on the base rural rate) for this category is to recognise the additional commercial use(s).	To ensure that all ratepayers make a reasonable contribution towards the ongoing maintenance of public assets, infrastructure and facilities, as well as the provision of community services throughout the Shire. To reduce the disparity between the valuation of properties used for commercial purposes and those used for rural purposes.