From: simon harman

To: <u>Local Government Mailbox</u>

Subject: clarence valley council minimum rates submission

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## **IPART Submission**

## Clarence Valley Council

RE: Application for Increases in Minimum Rates I oppose CVC's application for increases in minimum rates based on the principles of social justice, fairness and equity.

Taxes should be based on the principle of a person's ability to pay. CVC's proposed changes to the minimum rate do the opposite. CVC's 'minimum rates based' approach is a regressive form of taxation like the G.S.T. People on low incomes pay a higher percentage of their income in taxes. A strong correlation exists between peoples Incomes and the Unimproved Land Value of their Properties. CVC's proposals are manifestly unfair. At no time were changes to CVC's 'minimum rates based approach' mentioned at public consultation meetings. Most people are not even aware of the principles behind CVC's rates structure.

There is a very evident rich / poor divide in the Clarence Valley. Areas around South Grafton show worsening poverty whilst the coastal areas are benefiting from enormous increases in real estate values. These new residents, speculators and investors are clearly capable of paying taxes and don't need the largesse offered by CVC's ratings proposals.

Blind Freddy can see that the CVC's 'minimum based rates proposal' will hurt the local economy. Most people will have less to spend in local businesses that are also subject to significant rate rises.

IPART shouldn't reward another ill informed decision by CVC.

## Simon Harman