

Submission to the Independent Pricing and Regulatory Tribunal on Review of the Local Government rating System - 13 May 2016

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1. The review should be deferred for 12 months. Having a short time to respond to an important review is totally unsatisfactory.
2. Council favours a method of land valuation that provides an equitable basis for ratepayers, is an asset based tax and easily administered. While the Capital Improved Value proposal may appear attractive because it captures growth, it appears to be unwieldy and an administrative burden in that it would require regular updates following new developments on existing rating parcels. The CIV method can have significant effects on neighbours near a new development. While their asset may increase due to proximity, the neighbours' ability to pay, remains generally static. For that reason Council favours the continued use of unimproved capital value.
3. It has been suggested that Councils be given the choice of engaging private valuers. Council considers that the service provided by the Valuer General is satisfactory and is concerned with the potential for significant variations in valuations provided by private valuers.
4. For those Councils that are Fit for the Future and continue to maintain that status, Rate pegging should be eliminated without the need for individual Councils to apply to the NSW Government for a special rate variation.
5. The Mining category should be extended to allow for mines other than coal or metalliferous.
6. Action to initiate sale of land for unpaid rates should be available after the debt has been outstanding for 2 years rather than the current 5 years.
7. Rate exemptions should be reconsidered. Any use of land that draws upon Council services should pay rates even if through a new category i.e. Non-profit organisation, Government etc.
8. There should be no consideration of imposing additional taxes upon Council in response to Council's call for currently exempt bodies such as government institutions to make a rates contribution.
9. The Pensioner Concession Scheme should be fully funded by the State Government. Pensioners Concessions are a welfare payment and local government should have no role in providing welfare payments.
10. Council is also opposed to Local Government in general being required to collect taxes or levies on behalf of other agencies or levels of government. It considers this to be both unethical and administratively unwieldy and a deliberate attempt to deflect criticism from the NSW Government to local Councils who will then be accused of "increasing rates."