

Media Release

Rates – Time to Move to a land based Rates Model

The time has come to move away for the AAV model as a basis for determining rates, Mr Zucco said today. A land-based model is the way forward. A rating system needs to be fair, and not disadvantage any ratepayer is the way to go.”. Mr Zucco said

Mr Zucco said a land based model has far more advantages for all ratepayers in the long term because it does not penalise those that wish to make improvements to their property; it’s a model that encourages improvement which generates economic activity.”

He also said that, “A well developed land-based model is a model that will provide certainty to all ratepayers and in particular with the water reforms will see everyone pay rates based on their land value rather than improvements they may make or how many bedrooms they have or floors on their building (subject to regulations) other associated aspects behind the AAV rating Model”

Alderman Zucco also said that, “This model will not increase rates for Pensioners, lower income families or self funded retirees; however a rate rebate could be considered as part of any GST revenue created from any development activity. This could be resolved with a rebate system similar to the waste disposal rebate.”

He pointed out “The economic benefits will be direct and indirect. It would pave the way for an influx of property improvements since ratepayers are not penalised for improvements. I believe this will ultimately assist the State’s GST revenue.”

He further pointed out that, “The options to introduce a land based model are varied. The model could be immediate whereby the current rates paid form a starting base or a transitional model that is implemented over a period of five years.”

He also said “I have analysed a range of options with Council’s finance department and during this analysis I became convinced the land based model was the one that will provide the best overall solutions in the longer term..

He added’ “The only way to implement any change on the rates model is to work with fellow Alderman. In order that this model is seriously given consideration I will be pursuing this within Council in the appropriate manner so that the correct process is followed to introduce such changes”

In conclusion “I do not intend to neither scrap the rates system nor be radical and promise rate reductions but with an open mind we can achieve a rate model that is fairer and more equitable for all ratepayers and also provides benefits to the economy”

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