



Shire of Toodyay

Statement of Objects and Reasons for Differential Rating

In accordance with Sections 6.33 & 6.36 of the *Local Government Act 1995* and the Council's intention to continue levying differential rates for the 2021/2022 Financial Year, the Shire is required to publish its Objects and Reasons for implementing the differential rates categories.

All land except exempt land in the Shire of Toodyay is rated according to its Gross Rental Value (GRV) in townsites or Unimproved Value (UV) in accordance with the requirements of s6.28 of the *Local Government Act 1995*. The rates in the dollar (\$) for the various differential rates are calculated to provide the shortfall in income required to enable the Shire to provide necessary works and services in the 2021-22 financial year after taking into account all non-rate sources of income.

GRV - Residential

The rate in the dollar of 0.135733 has been set to ensure that the proportion of total rate revenue derived from residential property remains consistent with previous years. This is based on the total raised from all properties now rated as Residential.

GRV - Commercial

The rate in the dollar of 0.143042 has been set to ensure that the proportion of total rate revenue derived from commercial property remains consistent with previous years and recognises the higher demand on Shire infrastructure and services from the activity on the commercial property.

GRV - Industrial

The rate in the dollar of 0.124842 has been set to ensure that the proportion of total rate revenue derived from industrial property remains consistent with previous years and recognises the higher demand on Shire infrastructure and services from the activity on the industrial property.

GRV - Rural

The rate in the dollar of 0.124624 has been set to ensure that the proportion of total rate revenue derived from these properties remains consistent with previous years.

GRV - Rural Residential

The rate in the dollar of 0.118182 has been set to ensure that the proportion of total rate revenue derived from these properties remains consistent with previous years, notwithstanding that in previous years these properties had been rated as UV General.

UV - General

The rate in the dollar of 0.013823 has been set to ensure that the proportion of total rate revenue derived from rural small holdings remain consistent with previous years.

UV - Rural

The rate of 0.008858 has been set to ensure that broadacre farming properties, those over 100 hectares and used for grazing or cropping, are not adversely affected by the valuation changes resulting from the preponderance of rural small holdings.

Minimum Payment all categories

A minimum payment of \$1,351 is applied to GRV & UV properties in recognition that every property receives some minimum level of benefit from works and services provided. The minimum payment helps encourage development and discourage speculation. The minimum rate has not increased.