



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 2026/2027 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) as determined by the Valuer General's Office, and in accordance with the requirements of Section 6.28 of the *Local Government Act 1995*.

The proposed 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 2026/2027 financial year for each category after taking into account all non-rate sources of income.

GRV – Residential

The objective of the GRV Residential differential rate is to apply a base differential general rate to residential land, zoned for non-business purposes. It acts as the Shire's benchmark differential rate by which all other GRV rated properties are assessed. The reason for this rate is to ensure that all ratepayers make a reasonable contribution towards the ongoing maintenance and provision of works, services, and facilities throughout the Shire of Toodyay.

The rate in the \$ of **0.129230** has been set to ensure that the proportion of total rate revenue derived from residential property remains consistent with previous years and in recognition of the above.

GRV – Commercial

The objective of the GRV Commercial rate is to ensure that all properties within the Shire used for business or commercial purposes, within the town centre or local centres, contribute fairly and equitably towards Shire services. The reason for this rate in the dollar is set to ensure that the rates derived from commercial land recognises the specific demands on the Shire's infrastructure and services.

The rate in the \$ of **0.167060** has been set to ensure that the proportion of total rate revenue derived from commercial property remains consistent with previous years and in recognition of the above.

GRV – Industrial

The objective of the GRV Industrial differential rate is to ensure that all properties used for industrial purposes within the Shire, contribute fairly and equitably towards Shire services. The reason for this rate in the dollar is set to ensure that the rates derived from industrial land recognises the specific demands on the Shire's infrastructure and services.

The rate in the \$ of **0.131820** of has been set to ensure that the proportion of total rate revenue derived from industrial property remains consistent with previous years and in recognition of the above.

GRV – Rural

The GRV Rural rate applies to properties that are zoned for rural purposes such as broad-scale or intensive agriculture, rural pursuits, and some tourist related activities. The objective of this rate is to recognise the specific demands on the Shire's infrastructure and services arising from these land uses.

The rate in the \$ of **0.124210** has been set to ensure that the proportion of total rate revenue derived from rural properties remains consistent with previous years and in recognition of the above.

GRV - Rural Residential

This rate applies to those properties in local residential centres such as Morangup, Dumbarton and Bejoording that provide for a range of lifestyle opportunities with a rural character and amenity.

The rate in the \$ of **0.118820** has been set to ensure that the proportion of total rate revenue derived from rural residential properties remains consistent with previous years and recognises the demand on Shire infrastructure and services from the activity on GRV Rural Residential properties.

UV – General

The rate in the \$ of **0.010096** has been set to ensure that the proportion of total rate revenue derived from rural small holdings remain consistent with previous years and recognises the demand on Shire infrastructure and services from the activity on UV General properties.

UV – Rural

The rate in the \$ of **0.005290** 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 of small rural holdings.

Differential Minimum Payment

A minimum payment of **\$1,577.00** is applied to lower valued GRV and 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.