

Your 2018–19 Valuation and Rate Notice

How are my rates spent?



How do my rates contribute to Council's annual Budget?

As part of its annual Budget process, Council determines the amount of total revenue that will need to be raised from rates.

Council is allowed to increase rates up to the rate cap set by the State Government each year. The rate cap for 2018–19 has been set at 2.25%. Rate capping does not mean that Council increases all individual rates by up to 2.25%. It means that, in 2018–19, Council's overall rate revenue must not be more than 2.25% higher than last year.

Individual rates may increase by more than 2.25% due to one or more of the following reasons: property valuations, the application of differential rates and other charges. The rate cap does not apply to waste charges or the Fire Services Property Levy.

Your property's contribution to the overall rate revenue determined in the annual Budget process is dependent on the capital improved value (CIV) of your property. The CIV of your property is assessed by professional valuers during the property revaluation process. Victorian councils previously conducted revaluations biannually. From 1 January 2019 the revaluation process will be conducted annually by the Valuer-General Victoria.

How does the annual property valuation affect my rates?

Your current property valuation was assessed on market value as at 1 January 2018. This valuation

has been used to calculate the rates on your 2018–19 Valuation and Rate Notice.

The value of each property is assessed in line with guidelines laid down by the Valuer-General Victoria. Valuers must assess the value of a property in three ways:

- Capital Improved Value (CIV);
- Site Value; and
- Net Annual Value

Like most Victorian councils, the Borough of Queenscliffe uses CIV to levy general rates. The CIV of your property is equal to the total market value of the land plus any improvements (for example, a dwelling).

The revaluation process simply redistributes the total revenue raised from rates according to each property's individual valuation. There is no windfall gain for Council. Individual ratepayers will pay more or less if the movement in the value of their property is above or below the average.

Does Council make more money when property values increase?

No. Council does not collect extra revenue as a result of the revaluation process. The revaluation process simply redistributes total revenue from rates according to each property's individual valuation.

How are general rates calculated?

General rates in the Borough of Queenscliffe, excluding any additional charges or arrears, are

calculated by multiplying your property's CIV by the differential rate applied to your property.

For a general residential property in the Borough of Queenscliffe valued at \$700,000 as at 1 January 2018, the general rate calculation for the 2018–19 financial year would be:

$\$700,000$ (property CIV) \times 0.00222737 (rate for general residential properties) = $\$1,559.15$

Please note that this figure excludes Council's waste charges that will apply in 2018–19.

The CIV and rate for your property will be shown on your 2018–19 Valuation and Rate Notice, and any other charges, such as waste or Fire Services Property Levy, will also be itemised.

What are Council's Differential Rates for 2018–19?

Council will apply the following differential rates in the 2018–19 financial year:

- General residential rate 0.00222737
- Tourist accommodation rate 0.00245011
- Commercial rate 0.00289558
- Residential vacant land rate 0.00278421

I don't agree with my valuation – what can I do?

Property owners and/or property occupiers may object to a valuation shown on the 2018–19 Valuation and Rate Notice for their property by completing an Objection to Valuation Form, available from the 'Valuations' page in the 'Rates and Property' section of Council's website, <http://www.queenscliffe.vic.gov.au/council/rates-and-property/valuations>.

All objections must be lodged within two months of the issue date printed on your 2018–19 Valuation and Rate Notice (First Instalment).

What are the key changes in Council's updated Rating Strategy?

The 2018–19 Rating Strategy includes the following key changes:

- An increase in Council's additional pension rebate from \$40 to \$70 (in addition to the State Government rebate);
- Application of differential rate for residential vacant land properties (125% of the general residential property rate); and
- Application of a fixed charge for kerbside waste collection, rather than a charge based on the CIV of a property.

Please refer to Council's 2018–19 Rating Strategy and the Rates and Property section of Council's website for more information. If you have further questions about your 2018–19 Valuation and Rate Notice, please contact Council at info@queenscliffe.vic.gov.au or on 03 5258 1377.

