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# Revenue and Rating Plan 2021-2025

Macedon Ranges Shire Council

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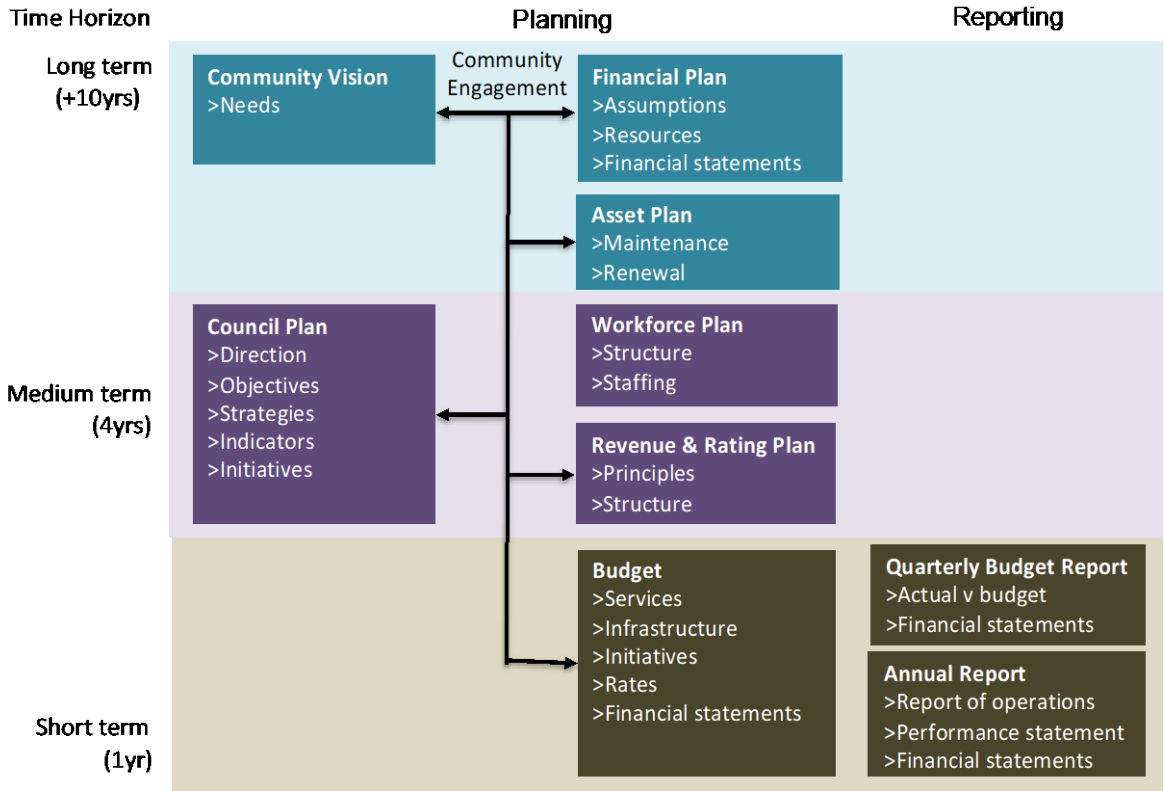
# 1 Purpose

The *Local Government Act 2020* requires each council to prepare a Revenue and Rating Plan to cover a minimum period of four years following each council election. The Revenue and Rating Plan establishes the revenue-raising framework within which a council proposes to work.

The purpose of the Revenue and Rating Plan is to determine the most appropriate and affordable revenue and rating approach for the Macedon Ranges Shire Council (Council), which in conjunction with other income sources, will adequately finance the objectives in the Council Plan.

The Revenue and Rating Plan is part of Council's Integrated Strategic Planning Framework as set out in the following diagram.




The strategies outlined in this plan align with the objectives contained in the Council Plan and feed into Councils Annual Budget and Financial Plan, as well as other strategic planning documents.

This plan explains how Council calculates the revenue needed to fund its activities, and how the funding burden will be apportioned between ratepayers and other users of Council facilities and services. In particular, this plan sets out decisions that Council has made in relation to rating options available to it under the *Local Government Act 1989*[1] to ensure the fair and equitable distribution of rates across property owners. It also sets out the principles used in decision making for other revenue sources such as fees and charges. The plan does not set revenue targets.

[1] *The Local Government Act 1989 still contains active provisions for the determination of rating options*

# 2 Introduction

Council provides many services to its local community, and in doing so, must collect revenue to cover the associated costs.

Major Changes
Introduction of a glass bin rebate of 50% of the service charge for eligible pensioners[2], is a change proposed to the structure and level of rates and charges for the 2021–22 year.

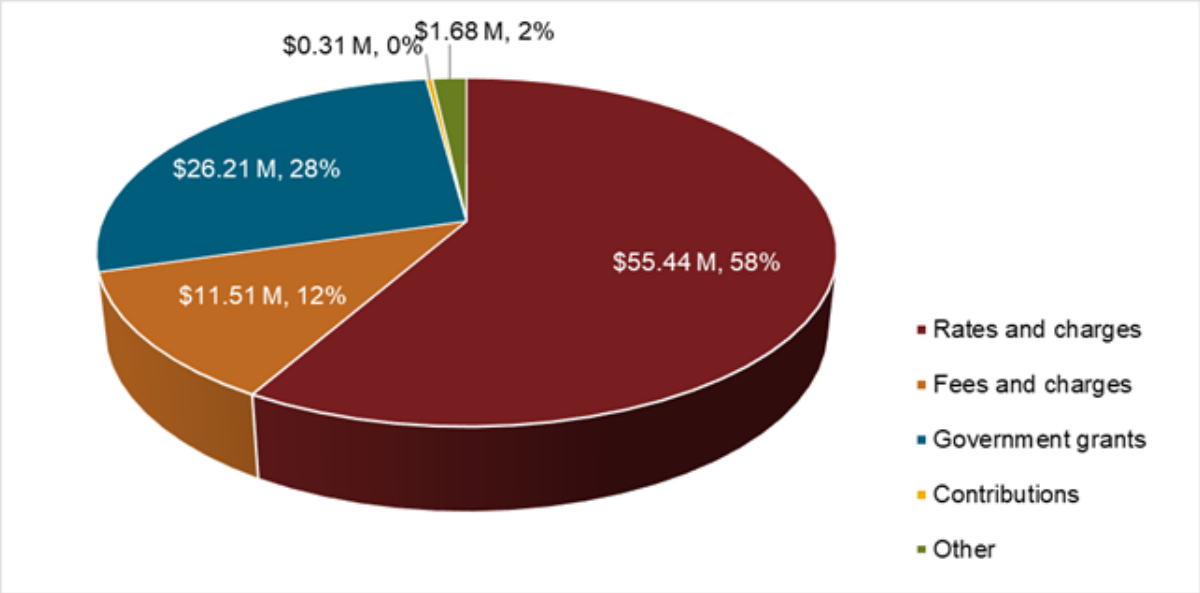
Council recognises there is some land owned within the Shire that is not able to be developed under the Macedon Ranges Shire planning scheme. Council plans to give further consideration to this category of land during its term in order to understand how it can progress the most effective use of this land in the future.

No changes are proposed to any other revenue policies in this Revenue and Rating Plan.

[2] *Eligible pensioner means pensioner, disability or carer concession not health care card.*

## 2.1 Revenue sources

Table 1 – Breakdown of revenue to Council




The total revenue for the 2021/22 year is budgeted to be $95 million with major components being rates and charges (58%), fees and charges (12%) and government grants (28%). Non-monetary contributions of $7.9 million have been excluded for the purposes of the analysis.

## 2.2 Revenue requirements

The Revenue and Rating Plan is a medium-term plan for how Council will generate income to deliver on the Council Plan. This includes the delivery of programs, services, and capital works commitments over the next four years.

In determining revenue requirements, Council has identified each source of revenue, how much will be raised by that source, and the policy rationale/assumptions.

In doing this, Council has considered:

- How revenue will be generated through rates on properties (including differential rates [if any] on different property classes)
- Fixed service charges that might be applied on services such as waste or recycling
- Fees and charges for services and programs including cost recovery policies, user charges and means testing
- Recurrent and non-recurrent operational and capital grants from other levels of government
- Developer contributions and other revenue
- Revenue generated from the use or allocation of Council assets (including the application of discounts and waivers)
- Entrepreneurial, business, or collaborative activities established to deliver programs or services and generate income or reduce costs.

## 2.3 Revenue balance

Council provides public goods and services, private goods and services, and a mix of both to the community. In determining if services should be funded through rates and charges or other revenue sources such as user charges, Council considers whether services are either entirely or partially public goods. Services providing benefit to the whole community will be mostly funded from rates. Where individuals or groups of ratepayers receiving a particular benefit will be mostly funded from user charges.

# 3 Community Engagement

The following public consultation process will be followed to ensure due consideration and feedback is received from relevant stakeholders.

Revenue and Rating Plan community engagement process:

- Draft Revenue and Rating Plan prepared by officers and a number of briefings provided to Council
- Draft Revenue and Rating Plan approved to be placed on public exhibition at the 11 May 2021 Council meeting for a period of 28 days and calling for public submissions
- Community engagement activities aligned to the Community Engagement Policy 2020
- Hearing of public submissions at a Council meeting on 16 June 2021
- Draft Revenue and Rating Plan (with any revisions) to be presented to 29 June 2021 Unscheduled Council meeting for adoption.

# 4 Legislative Framework

The legislative framework as it applies to the raising of revenue including the levying of rates and charges by the Council includes the *Local Government Act 2020* (including subordinate legislation, guidelines etc) and the *Valuation of Land Act 1960*. The rates and charges provisions are as per the previous *Local Government Act 1989* pending the outcome of the Local Government Rating System Review.

## 4.1 Local Government Act 2020

### Section 8 Role of a council

The role of a council is to provide good governance in its municipal district for the benefit and wellbeing of the municipal community.

### Section 9 Overarching governance principles

In the performance of its role, a council must give effect to the overarching governance principles. Relevant overarching governance principles include:

- Priority is to be given to achieving the best outcomes for the municipal community, including future generations
- The economic, social and environmental sustainability of the municipal district is to be promoted
- The municipal community is to be engaged in strategic planning and strategic decision making
- The ongoing financial viability of the Council is to be ensured.

In giving effect to the overarching governance principles, a council must consider the financial management principles.

### Section 101 Financial management principles

Relevant financial management principles include:

- Revenue, expenses, assets, liabilities, investments and financial transactions must be managed in accordance with a council's financial policies and strategic plans
- Financial policies and strategic plans, including the Revenue and Rating Plan, must seek to provide stability and predictability in the financial impact on the municipal community.

### Section 94 The budget

Council must adopt a budget by 30 June each year (or at another time fixed by the Minister) to include:

- The total amount that Council intends to raise by rates and charges
- A statement as to whether the rates will be raised by the application of a uniform rate or a differential rate
- A description of any fixed component of the rates, if applicable
- If Council proposes to declare a uniform rate, the matters specified in section 160 of the *Local Government Act 1989*
- If Council proposes to declare a differential rate for any land, the matters specified in section 161(2) of the *Local Government Act 1989*.

Council must ensure that, if applicable, the budget also contains a statement:

- That Council intends to apply for a special order to increase Council's average rate cap for the financial year or any other financial year; or

- That Council has made an application to the Essential Services Commission for a special order and is waiting for the outcome of the application; or
- That a special order has been made in respect of Council and specifying the average rate cap that applies for the financial year or any other financial year.

# 4.2 Local Government Act 1989

## Section 155 Charges that may be declared

A council may declare the following rates and charges on rateable land:

- General rates
- Municipal charges
- Service rates and charges
- Special rates and charges.

## Section 157 System of valuing land

A council may use the site value, net annual value or capital improved value system of valuation. To calculate the site value, net annual value or capital improved value of rateable land, a council must use the current valuations made in respect of the land under the *Valuation of Land Act 1960*.

# 4.3 Quantum of rates and charges

This plan outlines the principles and strategic framework that Council will use in calculating and distributing the rating burden to property owners, however, the quantum of rate and charges revenue will be determined in the annual Budget.

# 4.4 Local Government Rating System Review

In 2019 the Victorian State Government conducted a Local Government Rating System Review. The Local Government Rating System Review Panel presented their final report and list of recommendations to the Victorian Government in March 2020.

The Victorian Government subsequently published a response to the recommendations of the Panel's report. However, the recommended changes have not yet been implemented at the time of publication, and timelines to make these changes have not been announced.

# 4.5 Taxation principles

The Victorian Government's *Local Government Better Practice Guide: Revenue and Rating Strategy 2014* states that when developing a rating strategy, in particular regarding differential rates, a council should consider the following key good practice taxation principles:

- Wealth Tax: The 'wealth tax' principle implies that the rates paid are dependent upon the value of a ratepayer's real property and have no correlation to the individual ratepayer's consumption of services or the perceived benefits derived by individual ratepayers from the expenditures funded from rates
- Equity: Horizontal equity – ratepayers in similar situations should pay similar amounts of rates (ensured mainly by accurate property valuations, undertaken consistently, their classification into homogenous property classes and the right of appeal against valuation). Vertical equity – those who are better off should pay more rates than those

worse off (the rationale applies for the use of progressive and proportional income taxation. It implies a ‘relativity’ dimension to the fairness of the tax burden)
- Efficiency: Economic efficiency is measured by the extent to which production and consumption decisions by people are affected by rates
- Simplicity: How easily a rates system can be understood by ratepayers and the practicality and ease of administration
- Benefit: The extent to which there is a nexus between consumption/benefit and the rate burden
- Capacity to pay: The capacity of ratepayers or groups of ratepayers to pay rates
- Diversity: The capacity of ratepayers within a group to pay rates.

# 4.6 Rate capping

The Fair Go Rates System (FGRS) sets out the maximum amount that councils may increase rates by in a year. For the 2020–21 year the FGRS cap was set at 2.00%. For the 2021–22 year, it has been set at 1.50%. The cap applies to both general rates and municipal charges and is calculated on the basis of a council’s average rates and charges.

From the 2019 year, general revaluations of all properties have been undertaken annually. As a result, the actual rate increase for an individual rateable property may differ from the rate cap percentage, due to changes in its valuation. Where the change in an individual property valuation is higher than the average for all rateable properties, the rate increase for that property may be greater than the cap. Where the change in the property valuation is lower than the average for all properties, the rate increase may be lower than the cap.

# 5 Rates and Charges

Rates and charges are property taxes that allow Council to raise revenue to fund essential public services to cater to their municipal population. Importantly, it is a taxation system that includes flexibility for councils to use different tools in its rating structure to accommodate equity issues and ensure fairness in rating for all ratepayers.

## 5.1 Valuation method

### Legislation

Under Section 157 of the *Local Government Act 1989,* a council may use the site value, net annual value or capital improved value system of valuation. To calculate the site value, net annual value or capital improved value of rateable land, a council must use the current valuations made in respect of the land under the *Valuation of Land Act 1960*.

Valuations occurring up to January 2018 were undertaken on a two-year basis, with supplementary valuations able to be done where there are sales in subdivisions and consolidations, and following the construction and demolition of buildings. Changes were made to the *Valuation of Land Act 1960* that from 2019 require property valuations to be undertaken by the Valuer General's Office on an annual basis.

### Policy

Council uses the capital-improved value system of valuation. This means the sum that the land and any improvements, might be expected to realise at the time of valuation if offered for sale on any reasonable terms and conditions, which a genuine seller might in ordinary circumstances be expected to require.

## 5.2 Rates and charges

### Legislation

Refer to Section 4.2

### Policy

Council's current policy for rates and charges are set out in the following sections.

## 5.3 Differential rates

### Legislation

Under Section 158 of the *Local Government Act 1989*, a council, when declaring rates and charges, must declare whether the general rates will be raised by the application of a uniform rate or differential rates.

Under Section 161 of the *Local Government Act 1989*, if a council declares a differential rate for any land, the council must:

- Specify the objectives of the differential rate including a definition of the types or classes of land which are subject to the rate and a statement of the reasons for the use and level of that rate

- Specify the characteristics of the land which are the criteria for declaring the differential rate.

A council must regard any Ministerial guidelines before declaring a differential rate for any land. The Minister issued guidelines in April 2013. These guidelines attempt to spell out clearly what types and classes of land may be considered for differentials, and those that are not appropriate for differentials or need to be 'carefully considered'.

The highest differential rate must be no more than four times the lowest differential rate.

## Policy and Charges

Council has five differential rates. Details of the types/classes of land and the level of rate applicable to each differential is as follows:

- Residential – 100 per cent of the general rate
- Commercial/Industrial – 120 per cent of the general rate
- Agricultural – 80 per cent of the general rate
- Not for profit housing – 50 per cent of the general rate
- Recreational – 50 per cent of the general rate.

The definition of each differential rate is set out in Appendix A.

# 5.4 Municipal charge

## Legislation

Under Section 158 of the *Local Government Act 1989*, a council may declare a municipal charge to cover some of the council's administrative costs. A council's total revenue from a municipal charge in a financial year must not exceed 20 per cent of the sum total of the council's total revenue from a municipal charge and total revenue from general rates.

A person may apply to a council for an exemption from the payment of a municipal charge on rateable land if the rateable land is farmland, the rateable land forms part of a single farm enterprise and an exemption is not claimed in respect of at least one other rateable property, which forms part of the single farm enterprise. In the case of a single farm enterprise which more than one person occupies, an exemption cannot be claimed in respect of more than one principal place of residence.

## Policy and Charges

The Council levies a municipal charge to cover some of the administrative costs of Council. In applying the municipal charge, Council ensures that each rateable property in the Shire contributes.

# 5.5 Service rates and charges

## Legislation

Under Section 162 of the *Local Government Act 1989*, a Council may declare a service rate or charge for any of the following services:

- Provision of a water supply
- Collection and disposal of refuse
- Provision of sewage services
- Any other prescribed service.

## Policy and charges

The Council has the following service rates and charges:

- Kerbside waste and recycling (with Food Organics Waste Organics)
- EPA levy.

The Council's policy in regard to setting service rates and charges is full cost recovery.

# 5.6 Special rates and charges

## Legislation

Under Section 163 of the *Local Government Act 1989*, a council may declare a special rate or charge to defray any expenses or repay (with interest) any advance made to or debt incurred or loan raised by the council, in relation to the performance of a function or the exercise of a power of the council, if it will be of special benefit to the persons required to pay the special rate or special charge.

## Policy

Special rates and charges schemes are raised in accordance with the requirements of the *Local Government Act 1989*.

# 5.7 Payment of rates and charges

## Legislation

Under Section 167 of the *Local Government Act 1989*, a Council must allow rates and charges to be paid in four instalments. A Council may also allow rates and charges to be paid in a lump sum. Under Section 168 of the *Local Government Act 1989*, a council may also provide incentives for prompt payment.

## Policy

Rates are payable by quarterly instalments.

# 5.8 Rebates and concessions

## Legislation

Under Section 169 of the *Local Government Act 1989*, a Council may grant a rebate or concession in relation to any rate or charge to:

- Assist the proper development of the municipal district; or
- Preserve buildings or places in the municipal district which are of historical or environmental interest; or
- Restore or maintain buildings or places of historical, environmental, architectural or scientific importance in the municipal district; or
- Assist the proper development of part of the municipal district.

A Council resolution granting a rebate or concession must specify the benefit to the community as a whole resulting from the rebate or concession.

## Policy

Ratepayers who hold eligible pensioner[2] concession cards may be entitled to receive a State Government-funded concession on their rates and charges for their principal place of residence. The pensioner concession is set at 50 per cent of the rates and charges levied up

to a maximum amount and is fully funded by the State Government. Eligible pensioners[2] are also entitled to receive a concession on the Fire Services Property Levy.

Eligible pensioners[2] receiving the Food Organics Waste Organics service are eligible for a rebate of 50 per cent of the service charge.[3]

Eligible pensioners[2] receiving the glass bin service are eligible for a rebate of 50 per cent of the service charge.[3]

A rates incentive scheme is provided to support existing businesses who create employment opportunities in the shire. By creating a minimum of five new full-time jobs (or part time equivalent), businesses can apply for a discount on rates of up to $2,500 per year, depending on the number of new jobs created.

A rate rebate is provided to property owners who protect their land through a Trust for Nature covenant. Council grants a rebate to each owner (or, where applicable, occupier) of rateable land, upon successful application, that meets the criteria of the Macedon Ranges Shire Council Bushcare Incentive (Rate Rebate) Program.

The rebate is 100 per cent of the rates calculated on the site value of the protected land as declared in the required Trust for Nature conservation covenant. The desired outcome is for the community to benefit from preserving privately owned natural bushland that contains remnant native vegetation.

# 5.9 Deferments and waivers

## Legislation

Under Section 170 of the *Local Government Act 1989*, a council may defer in whole or in part any rate or charge if the payment would cause hardship to the person. Under Section 171 of the *Local Government Act 1989*, a council may waive the whole or part of any rate or charge or interest in relation to:

- An eligible recipient
- Any other class of persons determined by the Council for the purpose of waiving rates or charges on the grounds of financial hardship.

## Policy

The Council has a Financial Hardship Policy to provide financial relief in regard to rates and other debts. The policy applies to ratepayers and other debtors who are suffering financial hardship, or would suffer financial hardship if they paid the full amount of rates and charges or other debts for which they are liable. The policy provides ratepayers and other debtors with the opportunity to apply for a deferment of payment or waiver of rates, charges, fees and/or interest.

[2] *Eligible pensioner means pensioner, disability or carer concession not health care card.*
[3] *To be merged into a single pensioner rebate.*

# 6 Fees and Charges

Fees and charges consist of statutory fees and fines and user fees. Statutory fees and fines relate mainly to those levied in accordance with legislation and include animal registrations, *Public Health and Wellbeing Act 2008* registrations and parking fines. User fees relate to the recovery of service delivery costs through the charging of fees to users of the Council's services. These include use of leisure, entertainment and other community facilities, and the provision of human services such as childcare and home and community care services.

## 6.1 Pricing policy

Council has adopted a Fees and Charges Policy that guides its approach in setting appropriate levels of fees and charges. This policy applies to all fees and charges listed in the Fees and Charges Schedule, published in the Annual Budget. The policy seeks to ensure that the following key service performance principles under Section 106 of the Act are met:

- Services should be provided equitably and be responsive to the diverse needs of the municipal community
- Services should be accessible to the members of the municipal community for whom the services are intended
- Quality and costs standards for services set by the Council should provide good value to the municipal community.

The Council must also comply with the government's Competitive Neutrality Policy for significant business activities it provides and adjust service prices to neutralise any competitive advantages when competing with the private sector.

## 6.2 Statutory fees and fines

### Policy

Statutory fees and fines are those that the Council collects under legislation or other government directives. The rates used for statutory fees and fines are advised by the state government department responsible for the corresponding services or legislation, and the Council has limited discretion in applying these fees.

### Fees and fines

A summary of statutory fees and fines by major service area is as follows:

- Roads and infrastructure
- Permits
- Animals
- Town planning
- Infringements

# 6.3 User fees

## Policy

For user fees not regulated by statute, the Council determines the extent of cost recovery for particular services consistent with the level of both individual and collective benefit that the services provide and in line with the community's expectations. The three types of non-statutory pricing are as follows:

- Market price: Price based on the benchmarked competitive prices of alternate suppliers. In general this represents full cost recovery plus an allowance for profit)
- Full cost recovery price: Price based on recovering all direct and indirect costs incurred by Council. This pricing is used in particular where a service provided by Council benefits individual customers specifically, rather than the community as a whole
- Subsidised price: Price based on less than full cost of that service and range from full subsidies (i.e. The Council provides the service free of charge) to partial subsidies, where the Council provides the service to the user with a discount.

The schedule of Fees and Charges in the Budget includes around 400 individual fees and charges which are reviewed annually as part of the Budget process. The Council is yet to apply the Pricing Policy to its non-statutory fees and charges.

## User fees

A summary of user fees by major service area is as follows:

- Aquatic, Leisure and recreation
- Waste management and resource recovery
- Children, Youth and Family services
- Hanging Rock Reserve
- Saleyards
- Cultural activities
- Healthy Aging and Service Delivery
- Gravel pit

# 7 Other Revenue Sources

Other revenue sources that Council uses to fund services and facilities include government grants, contributions and other revenue.

## 7.1 Government grants

### Policy

Grant revenue represents income usually received from other levels of government. Some grants are singular and attached to the delivery of specific projects, whilst others can be recurrent and may or may not be linked to the delivery of projects. The Council pro-actively advocates to other levels of government for grant funding support to deliver important infrastructure and service outcomes for the community. The Council may use its own funds to leverage higher grant funding and maximise external funding opportunities.

When preparing its financial plan, the Council considers its project proposal pipeline, advocacy priorities, upcoming grant program opportunities, and co-funding options to determine appropriate grants to target. The Council will only apply for and accept external funding if it is consistent with the Community Vision and does not lead to the distortion of Council Plan priorities. Grant assumptions are then clearly detailed in the Council's budget document. No project reliant on grant funding will proceed until a signed funding agreement is in place.

### Government grants

A summary of government grants by type is set out below.

***Operating***

- Victorian grants commission
- Family and children
- Aged care
- Maternal and child health
- Emergency management
- School crossings
- Youth and culture

***Capital***

- Recreation, leisure and community services
- Footpaths and cycleways
- Victorian grants commission
- Roads to recovery

## 7.2 Contributions

### Policy

Contributions represent funds received by the Council, usually from non-government sources, and are generally linked to projects. Contributions can be made to Council in either cash payments or physical assets. Contributions are always linked to a planning or funding agreement and Council will not undertake any work on a contribution-funded project until a signed agreement outlining the contribution details is in place.

Contributions linked to developments, such as the Gisborne and Romsey development contribution plans, can be received well before any expenditure occurs. In this situation, the funds are identified and held separately in a reserve for the specific works identified in the agreements.

## Contributions

A summary of contributions by type is as follows.

- Car parking
- Drainage
- Footpaths
- Gisborne development plan
- Romsey development plan
- Public open space
- Road contributions
- Senior citizens accommodation maintenance

# 7.3 Other revenue

## Policy

The Council earns revenue from other sources such as property rental and interest on investments. The amount of revenue earned from property rental is based on rental agreements that set the rental amount at market rates. The Council receives interest on funds managed as part of its investment portfolio, where funds are held in advance of expenditure or special purposes. The investment portfolio is managed following Council's investment policy, which seeks to earn the best return on funds, whilst minimising risk.

## Other Revenue

A summary of other revenue by type is as follows:

- Property rental
- Interest on investments
- Merchandise and material sales

# Appendix A. Differential Rate Definitions

## General Rate (Residential Land)

| | |
|---|---|
| **Definition** | The general rate applies to all rateable land other than agricultural land, recreational land, commercial/industrial land and land used by Not for Profit Organisations to provide low-income residential housing |
| **Objectives** | The objective of this differential rate is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of the Macedon Ranges Shire Council, including (but not limited to) the:<br>• Amount of revenue required to be raised is in accordance with the Council Plan, Financial Plan and Budget<br>• Range and quality of infrastructure, physical services, health services and community services available to the owners and occupiers of residential properties |
| **Characteristics** | The characteristics of planning scheme zoning are applicable to the determination of vacant land which will be subject to the rate applicable to residential land.<br>The vacant land affected by this rate is that which is zoned residential under the Macedon Ranges Planning Scheme.<br>The classification of land which is improved will be determined by the occupation of that land and have reference to the planning scheme zoning |
| **Types and classes** | The types and classes of rateable land within this rate are those having the relevant characteristics described above |
| **Use of rate** | The money raised by this rate will be applied to the items of expenditure described in the Budget by Council.<br>The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land |
| **Level of rate** | 100 per cent of the general rate |
| **Use of land** | Is any use permitted under the Macedon Ranges Shire Planning Scheme |
| **Geographic location** | This rate is applicable to land within the municipal district |
| **Planning scheme zoning** | The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme |
| **Types of buildings** | The types of buildings on the land within this rate are all buildings already constructed on the land or which will be constructed prior to the expiry of the 2021/22 year |

# Commercial/Industrial Land

| | |
|---|---|
| **Definition** | Commercial/Industrial land is all rateable land, which is not agricultural land and which is used predominantly for carrying on one or more of the following activities for the purpose of generating income: commercial, industrial, business, wholesale trade, retail trade, manufacturing, professional or administrative |
| **Objectives** | The objective of this differential rate is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of the Macedon Ranges Shire Council, including (but not limited to) the:<br>• Amount of revenue required to be raised in accordance with the Council Plan, Financial Plan and Budget<br>• Range and quality of infrastructure, physical services (including street lighting and street cleaning, car parking) and facilities available to the owners and occupiers of land described above |
| **Characteristics** | The characteristics of planning scheme zoning are applicable to the determination of vacant land which will be subject to the rate applicable to commercial/industrial land.<br>The vacant land affected by this rate is that which is zoned commercial/industrial under the Macedon Ranges Shire Planning Scheme.<br>The classification of land which is improved will be determined by the occupation of that land and have reference to the planning scheme zoning |
| **Types and classes** | The types and classes of rateable land within this rate are those having the relevant characteristics described above |
| **Use of rate** | The money raised by this rate will be applied to the items of expenditure described in the Budget by Council.<br>The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land |
| **Level of rate** | 120 per cent of the general rate |
| **Use of land** | Is any use permitted under the Macedon Ranges Shire Scheme |
| **Geographic location** | This rate is applicable to land within the municipal district |
| **Planning scheme zoning** | The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme |
| **Types of buildings** | The types of buildings on the land within this rate are all buildings already constructed on the land or which will be constructed prior to the expiry of the 2021/22 year |

# Agricultural Land

| | |
|---|---|
| **Definition** | Agricultural Land is all rateable land, which is within the Council's municipal district defined as farm land under Section 2 of the *Valuation of Land Act 1960* on the condition that the owner or occupier of the land is a person carrying on the activities defined by the *Valuation of Land Act 1960,* who is regarded as a Primary Producer by the Australian Taxation Office |
| **Objectives** | The objective of this differential rate is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of the Macedon Ranges Shire Council, including (but not limited to) the:<br>• Amount of revenue required to be raised is in accordance with the Council Plan, Financial Plan and Budget<br>• Range and quality of infrastructure, physical services, health services and community services available to the owners and occupiers of agricultural land<br>• Restrictions upon the use and development of agricultural land in the Planning Scheme<br>• Need to encourage the retention of viable agricultural land for agricultural purposes |
| **Characteristics** | The characteristics of planning scheme zoning are applicable to the determination of vacant land which will be subject to the rate applicable to agricultural land.<br>The vacant land affected by this rate is that which is zoned agricultural under the Macedon Ranges Shire Planning Scheme.<br>The classification of land which is improved will be determined by the occupation of that land and have reference to the planning scheme zoning |
| **Types and classes** | The types and classes of rateable land within this rate are those having the relevant characteristics described above |
| **Use of rate** | The money raised by this rate will be applied to the items of expenditure described in the Budget by Council.<br>The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land |
| **Level of rate** | 80 per cent of the general rate |
| **Use of land** | Is any use permitted under the Macedon Ranges Shire Planning Scheme |
| **Geographic location** | This rate is applicable to land within the municipal district |
| **Planning scheme zoning** | The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme |
| **Types of buildings** | The types of buildings on the land within this rate are all buildings already constructed on the land or which will be constructed prior to the expiry of the 2021/22 year |

# Not-for-Profit Housing Land

| | |
|---|---|
| **Definition** | Not for Profit Housing Land is any rateable land, which contains low-income residential housing owned and/or managed by a volunteer, charitable or not-for-profit organisation for which the organisation is responsible for the payment of rates and for which a Victorian Government pension concession is not claimed |
| **Objectives** | The objective of this differential rate is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Macedon Ranges Shire Council, including (but not limited to) the:<br>• Amount of revenue required to be raised is in accordance with the Council Plan, Financial Plan and Budget<br>• Public service that volunteer, charitable or not-for-profit organisations are delivering to the community by providing low-income residential housing |
| **Characteristics** | The characteristics of planning scheme zoning are applicable to the determination of vacant land, which will be subject to the rate applicable to not for profit housing land<br>The vacant land affected by this rate is that which is zoned not for profit housing land under the Macedon Ranges Shire Planning Scheme.<br>The classification of land which is improved will be determined by the occupation of that land and have reference to the planning scheme zoning |
| **Types and classes** | The types and classes of rateable land within this rate are those having the relevant characteristics described above |
| **Use of rate** | The money raised by this rate will be applied to the items of expenditure described in the Budget by Council.<br>The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land |
| **Level of rate** | 50 per cent of the general rate |
| **Use of land** | Is any use permitted under the Macedon Ranges Shire Planning Scheme |
| **Geographic location** | This rate is applicable to land within the municipal district |
| **Planning scheme zoning** | The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme |
| **Types of buildings** | The types of buildings on the land within this rate are all buildings already constructed on the land or which will be constructed prior to the expiry of the 2021/22 year |

# Recreational Land

| | |
|---|---|
| **Definition** | Cultural and Recreational Land is any rateable land as defined under the *Cultural and Recreational Lands Act 1963* |
| **Objectives** | The objective of the rate is to recognise the large contribution that these community organisations and the volunteers make to the Municipality in the provision of sporting, cultural and recreational activities |
| **Characteristics** | Is cultural and recreational land and:<br>• Occupied by a body which exists for cultural or recreational purposes and applies its profits in promoting the furthering of this purpose<br>• Owned by the body, by the Crown or by Council<br>• Not agricultural showgrounds |
| **Types and classes** | The types and classes of rateable land within this rate are those having the relevant characteristics described above |
| **Use of rate** | The money raised by this rate will be applied to the items of expenditure described in the Budget by Council.<br>The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land |
| **Level of rate** | 50 per cent of the general rate |
| **Use of land** | Is any use permitted under the Macedon Ranges Shire Planning Scheme |
| **Geographic location** | This rate is applicable to land within the municipal district |
| **Planning scheme zoning** | The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme |
| **Types of buildings** | The types of buildings on the land within this rate are all buildings already constructed on the land or which will be constructed prior to the expiry of the 2021/22 year |

## Macedon Ranges Shire Council

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## Office locations

**Kyneton Administration Centre**
129 Mollison Street, Kyneton

**Gisborne Administration Centre**
40 Robertson Street, Gisborne

**Romsey Service Centre**
96-100 Main Street, Romsey

**Woodend Service Centre**
Corner High and Forest Streets, Woodend