

# F.04 Revenue Statement

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- CEO            Chief Executive Officer
- MCCS        Manager Corporate & Community Services
- MES         Manager Engineering Services
- MFS         Manager Financial Services

## 1 OBJECTIVE

Section 169(2) of the *Local Government Regulation 2012* requires the Council to adopt a Revenue Statement. The Revenue Statement will be an explanatory document accompanying the Budget outlining and explaining the revenue measures adopted in the budget process. This document should be read in conjunction with Council's Revenue Policy.

It is not intended that this Revenue Statement reproduce all related policies. Related policies will be referred to where appropriate and will take precedence if clarification is required.

## 2 MAKING AND LEVYING OF GENERAL RATES RATIONALE

General rates are for services, facilities and activities that are supplied or undertaken for the benefit of the community in general (rather than a particular person). The council is required to raise an appropriate amount of revenue to maintain assets and provide services to the region as a whole.

Under State legislation, land valuation is used as the basis for levying general rates in Queensland. The general rate could be determined by dividing the income needed from general rates by the rateable valuation of lands, however that would be inequitable because of the considerable diversity in the Quilpie Shire region in terms of land use and location, land values, access to, and actual and potential demands for, services and facilities. To provide a more equitable and reasonable basis for its revenue raising, council has adopted a general rating system that takes into account a combination of specific user charges, special rates and differential general rates.

In summary, rates and charges are determined after consideration of:

- i) Council's legislative obligations;
- ii) The needs and expectations of the general community;
- iii) The expected cost of providing services; and
- iv) Equity – that is, ensuring the fair and consistent approach of lawful rating and charging principles, taking account of all relevant considerations, and disregarding irrelevancies such as the perceived personal wealth of individual ratepayers or ratepayer classes.

## 3 DIFFERENTIAL GENERAL RATING

The differential rating categories have been determined having regard to:

- Land use as determined by Council and the Department of Natural Resources and Mines "Land Use Codes";
- Location;
- Availability of services;
- Consumption of and demand for services; and
- Whether any attribute of the land (including the status of the land under the Planning Scheme) gives rise to, or is likely to give rise to, increased costs for the council, whether at that land or elsewhere.

Pursuant to Chapter 4 of the *Local Government Regulation 2012*, the council has decided that:

- a) There will be 16 categories of rateable land for 2019/2020 as stated and described in Table 1;
- b) The description of each of the rating categories of rateable land in the local government area is set out in Table 1;
- c) The differential rates, limitations on increases and minimum general rates to be levied for each of the 16 differential general rating categories are detailed in Table 2.

Category Number	Category Name	Category Description
1	Town of Quilpie - Residential	Land within the township of Quilpie used, or capable of being used, for residential purposes which is or can be serviced with urban infrastructure, other than land used for commercial, industrial, grazing, agriculture, petroleum, mineral or extractive industry production.
2	Township of Eromanga	Land within the township of Eromanga used, or capable of being used, for residential, commercial or industrial purposes which is or can be serviced with urban infrastructure, other than land used for grazing, agriculture, petroleum, mineral or extractive industry production.
3	Other Rural Towns	Land within the townships of Adavale, Toompine and Cheepie used, or capable of being used, for residential, commercial or industrial purposes which is or can be serviced with urban infrastructure, other than land used for grazing, agriculture, petroleum, mineral or extractive industry production
4	Opal Mines	Land, held under the <i>Mineral Resources Act 1989</i> used for the purpose of extracting opals and other precious metals and gemstones.
5	Other	Land not included in any other category.
6	Rural - Grazing and Agriculture <7\$/ha	Land used, or capable of being used, for rural purposes, including grazing and agriculture, with a rateable value of less than \$7 per hectare.
7	Town of Quilpie - Commercial and Industrial	Land used, or capable of being used in whole or part, for commercial or industrial purposes which is or can be serviced with urban infrastructure, other than land used for residential, grazing, agriculture, petroleum, mineral or extractive industry production.
8	Rural - Grazing and Agriculture 7-12\$/ha	Land used, or capable of being used, for rural purposes, including grazing and agriculture, with a rateable value of between \$7 and \$12 per hectare.
9	Rural - Grazing and Agriculture >12\$/ha	Land used, or capable of being used, for rural purposes, including grazing and agriculture, with a rateable value of more than \$12 per hectare.
10	Rural-Pumps, bore sites and communication facilities	Land used for the purposes of pumps, bore site or communication facility.

11	Mining and Oil Production <5000ha	Land, held under the <i>Mineral Resources Act 1989</i> or <i>Petroleum Act 1923</i> , with an area less than 5,000 hectares other than land included in category 4.
12	Mining and Oil Production 5000-10000ha	Land, held under the <i>Mineral Resources Act 1989</i> or <i>Petroleum Act 1923</i> , with an area between 5,000 and 10,000 hectares other than land included in category 4.
13	Mining and Oil Production 10000-20000ha	Land, held under the <i>Mineral Resources Act 1989</i> or <i>Petroleum Act 1923</i> , with an area between 10,000 and 20,000 hectares other than land included in category 4.
14	Mining and Oil Production 20000-50000ha	Land, held under the <i>Mineral Resources Act 1989</i> or <i>Petroleum Act 1923</i> , with an area between 20,000 and 50,000 hectares other than land included in category 4.
15	Mining and Oil Production >50000ha	Land, held under the <i>Mineral Resources Act 1989</i> or <i>Petroleum Act 1923</i> , with an area more than 50,000 hectares other than land included in category 4.
16	Oil Distillation/Refining	Land used for, or in association or connection with the:- <ul style="list-style-type: none"> <li>- distillation of crude oil or natural gas; and</li> <li>- storage or transport of crude oil or natural gas.</li> </ul>

TABLE 1

Category	Description	Minimum	Rate in \$	Limitation (cap)
1	Town of Quilpie - Residential	\$364.73	1.743	10%
2	Town of Eromanga	\$364.73	5.070	10%
3	Other Rural Towns	\$321.01	71.300	10%
4	Opal Mines	\$359.33	43.000	10%
5	Other	\$561.38	109.924	10%
6	Rural - Grazing and Agriculture <7\$/ha	\$299.58	2.870	10%
7	Town of Quilpie - Commercial and Industrial	\$364.73	1.750	10%
8	Rural - Grazing and Agriculture 7 - 12\$/ha	\$299.58	2.870	10%
9	Rural - Grazing and Agriculture >12\$/ha	\$299.58	2.870	10%
10	Rural-Pumps, bore sites and communication facilities	\$306.37	37.300	10%
11	Mining and Oil Production <5000ha	\$45,777.87	291.000	10%

12	Mining and Oil Production 5000-10000ha	\$107,712.61	224.500	10%
13	Mining and Oil Production 10000-20000ha	\$140,026.40	88.560	10%
14	Mining and Oil Production 20000-50000ha	\$150,797.66	88.560	10%
15	Mining and Oil Production >50000ha	\$161,568.92	88.560	10%
16	Oil Distillation/Refining	\$32,313.78	234.4333	10%

TABLE 2

#### 4 RATEABLE VALUE OF LAND

To determine the rateable value of land, council uses the unimproved capital or site valuation as advised by the Department of Natural Resources and Mines. The last valuation of the shire was carried out on 1 March 2018 with the valuation being applied from 1 July 2018.

#### 5 LIMITATION OF INCREASE IN RATES

Council has applied capping to all categories of land. All categories will not exceed the amount of general rates levied for the property for the previous financial year (year ending 30 June 2019) plus a percentage increase resolved by council.

The differential general rate for eligible land will not exceed the higher of:

- The relevant minimum rate for the property; or
- The amount of general rates levied for the property for the year ending 30 June 2019, plus an increase of 10%.

This is subject to a minimum rate for each category and the following conditions:

- Capping will apply only to general rates;
- Capping will apply to all categories of land;
- Capping is not available retrospectively and will only apply from the beginning of a financial year;

#### 6 SEPARATE RATES AND CHARGES

Council does not presently levy separate rates and charges.

#### 7 SPECIAL RATES AND CHARGES

A "Wild Dog Control Levy" equal to 5% of general rates will be levied on all rural properties (category 6, 8 and 9).

#### 8 UTILITY CHARGES

Council levies utility charges for the provision of waste management, sewerage and water services on premises to which these services are supplied, or are capable of being supplied.

A specific number of "charging units" is assessed for each category of land use and a dollar charge per unit is set by the Council annually at its budget meeting.

It is proposed that in accordance with Section 99 of the *Local Government Regulation 2012* the following utility charges be made and levied for the year ending 30 June 2018.

Pursuant to section 101(1)(a) and section 101(2) of the *Local Government Regulation 2012*, Council levies water charges wholly according to the water used by each ratepayer. Council has estimated each ratepayer's likely water usage, by determining the average amount of water used for each different land use referred to below.

For the 2017/18 financial year, the applicable charging units are as follows:

Waste Management	\$28.02 per unit, plus \$50.84 per extra bin
Sewerage	\$14.22 per unit
Water	\$14.86 per unit

In accordance with the following unit schedule:

Description	Garbage Units	Sewer Units	Water Units
Vacant Land – Infrastructure		15	15
Occupied Residential Land	20	30	30
For Each Extra Pedestal		5	5
Occupied Residential Land – Cheepie			40
Flat, Unit, Aged Persons Home (each)	20	20	20
Motel	20	20	20
For Each Extra Pedestal/Cistern		5	5
Hotel, Hotel/Motel, Club	20	20	20
For Each Extra Pedestal/Cistern		10	10
Fire Brigade/SES	20	15	150
Church/Residence	20	30	30
For Each Extra Pedestal/Cistern		5	5
Other Businesses	20	25	25
For Each Extra Pedestal/Cistern		5	5
Other Businesses with attached dwelling	20	30	30
School	20	20	20
For Each Extra Pedestal/Cistern		10	10
CWA, Cultural Society, Non Profit	20	20	20
Convent, Church, Residence	20	30	30
For Each Extra Pedestal/Cistern		5	5
Railway Station Yards	20		100
Trucking Yards			100
Swimming Pool	20	200	200
JW Park Tennis/Netball Courts	20	300	600
Bulloo Park	20	300	600
Shire Office/Public Toilets	20	20	20
For Each Extra Pedestal/Cistern		10	10

Median Strips			600
Wash-down Bay – Quilpie			100
Industrial Blocks			30
Rural/Residential Blocks			30
Bowling Green			100
Caravan Park	20	300	300
Refinery		30	450
For Each Extra Pedestal/Cistern		5	
Oil Wash down – Eromanga			120

For clarity, it is not Council's intent that a property containing a business with an attached premises should be charged for both uses. Utilities will be charged for the use producing the highest charge only.

TABLE 3

## 9 TIME WITHIN WHICH RATE MUST BE PAID

It is proposed that in accordance with section 118 of the *Local Government Regulation 2012*, Council has determined that the due date for payment of rates and charges is 30 days after the date the rates notice is issued.

Council has determined that, pursuant to section 133 of the *Local Government Regulation 2012*, interest is payable on overdue rates and charges from the day rates and charges become overdue. Interest will be calculated at a rate of 11% per annum, on daily rests and as compound interest.

## 10 PAYING RATES AND CHARGES BY INSTALMENTS

Council has decided, pursuant to section 129(1) of the *Local Government Regulation 2012*, to allow ratepayers to pay rates and charges by instalments.

The period for payment of each instalment of rates and charges is monthly.

It is a requirement for persons paying rates and charges by instalments that they enter a written agreement with Council.

## 11 DISCOUNT

Council has decided, in accordance with section 130 of the *Local Government Regulation 2012*, that a discount of 10% is allowed on all rates and charges if paid in full, including overdue rates, by the due date.

## 12 CONCESSIONS

Council has decided, pursuant to section 119 and section 120 of the *Local Government Regulation 2012*, to grant a 50% rebate of rates and charges, up to a total of \$450 per annum for land which is owned or occupied by a pensioner, in accordance with Council's "Rates and Utility Charges - Pensioner Rebate and Concession Policy".

## 13 COST RECOVERY FEES

Council's policy is to structure cost recovery fees so that the costs of each service, facility or activity provided are recovered, however, Council provides services, facilities or activities that are not fully cost recoverable but are deemed to be provided as a Community Service Obligation and are cross subsidised.

14 DEFINITIONS

Nil

15 RELATED POLICIES | LEGISLATION | OTHER DOCUMENTS

*Local Government Act 2009*

*Local Government Regulation 2012*

IX #	Details
91119	F.03 Revenue Policy