

## A Fair and Equitable Rating System

To make this happen there must be a better system than that operating in Victoria at this time. This has been recognised and hence the review. Fair and equitable would be that every citizen pays equally for the services our local government provides but this was tried in the UK and was labelled an unpopular “poll tax”. Since 1993 the UK has used a house and curtilage system which has been accepted as fair. There are no rates on farm land.

My concept of a fair and equitable system for Victoria would be similar to UK. Rates would be a percentage of the value of each house and curtilage and any business house that involves people. There could be extra charges where waste collection is involved thus user pays. The tax (rate) would be collected by the State and distributed to the local councils according to their needs to provide services. This could be compared with GST collected by Federal Govt and distributed to the States.

GST is considered fair and is based on value. This tax is a percentage of the value so if a buyer can afford to buy an expensive TV then that person pays more GST than the person who buys a cheaper TV. Likewise, if one chooses to live in an expensive house then a percentage of that value is a fair rate. Businesses used by people would attract the same rate.

Farm animals and vegetables do not use council services. Therefore, there is no reason why the farm land should be taxed to contribute to council services, for example, the swimming pools, street lighting, libraries or garbage collection. In East Gippsland user pays for the livestock exchange so that rates do not contribute to subsidising this service. An added charge for those properties serviced with waste removal would be fair. Farms in East Gippsland do not receive this service.

If concessions are appropriate, then the State decides on these.

Another problem related to rating farm property is the flow-on effect of the fire services levy. By rating farm property, farmers are having to pay very high levies on even irrigated land – very unfair.

I have no problems with paying my fair share, but the present Victorian rating system does not deliver fair and equitable charges. It is my hope that this review can address this issue and farmers are no longer forced to subsidise urban ratepayers.