



POLICY

Rates & Valuations – Farmland

Date adopted by Council	14 December 2020
Minute number	H.12.3
Endorsed by	Council
CM Ref	CD-214/20
Due for review	October 2024
Related documents	INT-31582/18
Responsible officer	Manager Finance
Department/Section	Corporate Services
Category	Rates Management
Community Strategic Plan goal	<p>Goal 8 Provide Community leadership</p> <p>CS 30 Effectively and efficiently manage the business of Council, while encouraging an open and participatory Council with an emphasis on transparency, Community engagement, action and response.</p> <p>CS 35 Ensure long-term financial sustainability through short, medium and long term financial planning.</p>



Policy Statement

Council is permitted to rate landholders under the Local Government Act 1993.

The rating of landholders is formulated via categories and sub-categories as set out under section 515 of the Act. This policy provides the criteria for defining one of Council's major rating categories, which is "Farmland".

Objective

The objective of this policy is to:

- provide clear guidelines on how to qualify for the farmland rating category.
- ensure that all farmland assessments are determined using consistent criteria.

Scope

This policy provides that criteria that defines Farmland for rating purposes as set out under section 515 of the Local Government Act 1993.

Definitions

Act	Local Government Act 1993
Categories	are the class or division of land that has shared characteristics
Dominant	is the primary usage of land held.
Landholder	is an individual, unit trust, private or listed company that holds land in NSW.

Policy Details

Applications must be made on the approved application form. Each application will be assessed individually and taken on its own merits.

Determining Criteria

Dominant use – When determining dominant use the following attributes will be considered but not limited to:

- Total rateable area being used for farmland
- Income derived from farmland operation
- Intensity of farming activity

Significant and substantial commercial purpose or character – the activity must show a degree of commercial purpose or character and independent viability and not be a hobby or interest.

Purpose of profit on a continuous or repetitive basis – must have completed at least one cycle of farming operation. Seasonal fluctuations should not affect the outcome. Whether profit is made or not is not relevant to the question of being engaged in for the purpose of profit on a continuous or repetitive basis.

Assessing Applications

- 1) The land must be classified as farmland under the Valuation of Land Act.
- 2) When assessing applications the following will be considered to determine categorisation as farmland:



- Land Use – Type of farming being carried out
 - Land Capacity – carrying capacity and return per hectare
 - Area
 - Ongoing and repetitive basis - It would be expected the activity to have been completed at least one cycle or be operating for at least one year.
- 3) Land used in conjunction with other Properties – under the Local Government Act 1993, land is to be categorised as farmland if it is a parcel of rateable land valued as one assessment. However Council may, where a parcel of rateable land valued as one assessment is used in conjunction with other parcels of rateable land valued as one assessment, consider the total of all the parcels as one holding for the purpose of this policy. Providing that all the parcels are owned or leased by the same entity.
 - 4) Leased Land – full details of the lease must be supplied, including area leased and activities undertaken.
 - 5) Farm Stays/B&Bs - information is required on tourist accommodation regarding the number of available rooms and the frequency of occupation.
 - 6) The Review – the initial review will be carried out by the Senior Revenue Officer who will make a recommendation and report for approved by the Director Operations.
If it is unclear if the property would qualify and no further information can be supplied a benefit of the doubt will be given and the property will be rated as farmland.
A property owner may make an application for farmland rating at any time.
 - 7) Ongoing Reviews – Where a property is sold, transferred or subdivided the owners will be required to complete an application for farmland rating for determination.
Council may carry out reviews when deemed necessary.
A revolving review of properties rated as farmland with a review of 25% of properties to be carried out each year so that each property with the Council area is reviewed at least every four (4) years.
 - 8) Confidentiality – all information supplied with or contained within an application is to be treated as strictly confidential.
 - 9) Right of Appeal – Council must notify the applicant of its decision within 40 days after application is made as per Section 525 (6) of the Local Government Act 1993. Reasons outlining the decision not to rate the property as farmland must be included.
If the applicant is dissatisfied with the decision, the applicant will have 30 days to appeal. The applicant may request a review of the decision by submitting their request in writing to the General Manager and the reasons they believe they should be rated farmland.
If the applicant remain dissatisfied with the outcome of the second review an appeal against the declaration of category under Section 526 (1) of the Local Government Act 1993 must be lodged with the Land and Environment Court within 30 days after the declaration is made by Council.
If an applicant chooses to appeal to the Land and Environment Court against the categorisation, Council may obtain an independent review of the application. Council may appointment an independent advisor with agricultural experience to inspect the property and provide a written report.
 - 10) Incomplete Applications – If an applicant refuses to complete an application form or to provide sufficient information to enable a determination of the categorisation, the property shall be considered ineligible for farmland rating.

Responsibilities

Council

Council will review and adopt the Policy.

Director

The Director Corporate Services will act as per Delegations of Authority.



Manager

The Manager Finance will adhere to the Policy.

Coordinators and Supervisors

The Senior Revenue Officer will adhere to the Policy.

References and Related Legislation

1. Local Government Act 1993 - Chapter 15, part 3 and part 3A
2. Local Government Act 1993 - Section 515

Version History

Version No.	Date	Reason for Review
1	8/12/20	Policy expiry date due for review.