

From: tim dunnet
To: [LA Committee - PA](#)
Subject: Reverse the ACT Strata Rates Calculation
Date: Tuesday, 6 March 2018 10:02:00 PM

I submit that individual residential property be entitled to receive the full entitlement to the sliding scale of Rate and Land Tax calculations in determining their individual charges. It puzzles me that my one bedroom unit in Phillip can pay the same amount of rates and land tax as a three bedroom apartment or for that matter can be compared to a house and land package in Wanniasa.

In 2007 my unit was valued at \$330000 and is now valued at \$280000 a capital loss of \$50000. Yet rates and land tax have increased exponentially. In 2013-2014 Rates were \$1182 and Land Tax was \$491. The government then introduced a fixed charge to land tax the following year 2014-2015 which increased land tax to \$1242 which while I did not like it I felt it was fair. This financial year 2017-2018 Rates are \$1488 Land tax is \$2029. The decision by the government to place my small unit into the top land tax bracket is just unreasonable. Land tax has increased over 400% how on earth is this justifiable of fair.

During this period the rent for my property has decreased from \$370 p/w to \$340 p/w am I to charge my tenant the extra \$1844 and title it government charges to justify the increase?

I do not share in the appreciation of the land as the unit is a small percentage of the total and I cannot sell the total to gain any capital gain as I could with a house there for the land should not be taxed comparably with a larger parcel of land.

In 2012/13 Government advertised Rates/Taxes would go up slowly and Stamp Duty would come down slowly. Rates for strata have escalated exponentially and stamp duty has hardly moved. The government could be seen to be deceitful. For many "downsizers" they paid both high stamp duty and now rates.

We want an open transparent explanation of the revenue collected in terms of the fixed amount per living dwelling and the rates and taxes on Unimproved value of the Land (not market value) and how this money is used (the services provided): and recognizing that almost 50% of ACT revenue comes from Federal GST/Grants distribution and this is largely for State type functions like education and health.

It should be recognized that increases in costs of living by a 50% increase in Rates is immoral especially for those who can't afford to pay. Taxation should reflect capacity to pay.

Changes in Calculation Method for rates and taxes may be illegal as it changes the rules retrospectively. People bought into strata on previous rules.

What this has meant for my young family consisting of two full time working parents and three children aged 9, 7 and 6 is that we have not been to the south coast for a holiday for two years as we can no longer afford it with the loss of income and extra government charges levied against us. We have not been out to dinner as a couple for over six months as we can't afford to due to these charges and other cost of living pressures.

What i want is fairer way to work out taxes for units. I suggest that a system be developed that the taxes are worked on the value of the unit not the land component as it is a small share of a bigger parcel. Just as house and land rates and land tax is levied on the value of the land going up and down. There are systems like this in Canada.

Thank you

Tim Dunnet