Letter of 12 December 2005 to Mr Richard Mulcahy MLA, Shadow Treasurer

Richard Mulcahy MLA
Shadow Treasurer
Shadow Minister for Industrial Relations
The Arts and Territory Owned Corporations

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13 December 2005

Mr Andrew Rudnicki
Managing Director
Stryver Pty Limited
9 Story Place
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Dear Mr Rudnicki

Thank you for your letter of 12 December 2005 in which you outlined your dissatisfaction with ACTPLA and the ACT Revenue Office.

Your letter is timely because there will soon be an inquiry conducted by the Public Accounts Committee into land valuation and related issues in the ACT.

Could you please send copies of documents you have supplied to me plus any other supporting material to:

> Ms Andréa Cullen
> Secretary
> Standing Committee on Public Accounts
> ACT Legislative Assembly
> GPO Box 1020
> Canberra ACT 2601.

Information based on your experience will be appreciated by the Committee.

Yours sincerely

Richard J Mulcahy MLA

STRYVER PTY LIMITED
CANBERRA

Mr Richard Mulcahy MLA
Shadow Treasurer
GPO Box 1020
CANBERRA CITY ACT 2601

12 December 2005

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Dear Mr Mulcahy

BLOCK 22 SECTION 22 KINGSTON – 84 GILES STREET, KINGSTON ACT GOVERNMENT AGENCIES FAILURE TO DELIVER SERVICES AND UNREASONABLE RATES AND LAND TAX INCREASES

We are writing to advise you of our disappointment with ACTPLA and now the ACT Revenue office inability to make decisions on relatively simple matters, despite the application charges being paid to deliver a service.

Firstly, on 23 February 2004 we lodged a development application with the ACTPLA to expand the purpose clause in the Crown Lease to allow a wider range of uses permissible in the Territory plan. ACTPLA failed to make a decision on the development application and it was regrettable that on 13 December 2004 the ACT Administrative Appeals Tribunal ("the AAT") (case no: AT04/93) was forced to make a decision on that application. In that decision the ACT AAT ruled also that ACTPLA's requests in the development application process for costly expert technical reports to be unnecessary. To this end, we were subject to a protracted development application process and incurred considerable expenses (ie $100,000) to resolve the process.

Secondly, on 25 October 2005 (attached) the ACT Revenue office redetermined land values retrospectively back to 2002 because of the purpose clause variation that took effect on 18 February 2005. This means that it has impacted on the Average Unimproved Value for the above property increasing significantly rates and land tax revenues immediately.

On 15 November 2005 (attached) we made an objection to the notice of redetermination as there is no legal basis under the *Rates Act 2004* to redetermine land values in 2002 to 2004, as it is outside the period from when the change of circumstance (purpose clause use variation) took effect from 18 February 2005 and therefore the decision made to redetermine those land values is flawed.

On 7 December 2005 (attached) the ACT Revenue office refused to consider the letter of objection. We are very disappointed with this outcome and it constitutes a refusal to fulfill a duty under the *Taxation Administration Act 1999,* despite the objection fee being paid when the objection was lodged. Further letters (attached) have been sent to the Treasurer and the Commissioner of ACT Revenue to press on with the objection process.

We consider that the conduct of those ACT Government agencies not to be fair and reasonable. As such we seek your help to escalate this further, as those agencies are not carrying out their duties within the statutory legal framework. If you require any further information I can be contacted on 0418434967.

Thank you for your assistance in anticipation.

Yours sincerely

Andrew Rudnicki
Managing Director