

SUBMISSION TO PUBLIC ACCOUNTS COMMITTEE TO LOOK AT RATES FOR UNIT-TITLED RESIDENCES BY PHILIP ROBERTSON

My name is Philip Robertson. I am a pensioner and have lived at my current address (Unit [REDACTED] Ngunnawal) since 2000.

Since 2000 my rates have been based on a Residential AUV calculated by ACT Revenue Office. Up till 2017, the ACT Revenue Office took the total value of the complex and divided it by my "Unit Entitlement" (ie 69 Units or 6.9%) and this was the figure used to calculate the "Valuation Based Charge". Until now, my "Residential AUV" has always fallen within the first tier (ie between \$1 and \$150,000).

In 2017 the Government made changes to this methodology as part of the ACT's broader tax reform agenda and as a result of the new methodology my rates in 2017/18 as a unit-titled residence increased by 47.29%, whereas my brother's rates for an adjoining non-unit-titled residential property increase by only 6.45%.

I lodged a formal objection, through Civium Strata, to the ACT Revenue Office (See "1b Letter By Civium To ACT Revenue Office (11.08.17)" attached), requesting that the old method of calculation for body corporate rates be reinstated, so that the same percentage increase is applied to all homeowners.

My individual case is set out below:

Based on the method of calculation for previous years, and using the new AUV for the complex of (\$2,098,000) and the new Residential AUV for 2017-18, my rate assessment for 2017-18 should have looked similar to that set out below:

Calculation Prior to 2017			
Unimproved Value Of Complex 2017-18			\$ 2,098,000.00
Unimproved Capital Value		6.90%	\$ 144,762.00
Marginal Rate Using First Tier Only			\$ 428.50
Calculations	Amount \$	Percentage	Total Amount
1st Calculation	144,762	0.2960	428.50
Valuation Based Charge			428.50
Fixed Charge			765.00
Fire and Emergency Service Levy			294.00
Less Pensioner Rebate (Capped at \$798.00)			-743.75
Sub Total			743.75
Less 1 percent Discount			-10.67
Safer Families Levy			30.00
Less one-off rebate on all residential unit properties			0.00
Total Payable \$			763.08
NB: Actual Rates paid 2016-2017			737.26
NB: I received my full Pensioner Rebate.			

I expected my rates assessment for 2017-18 to be \$763.08.

Under the new method of calculation the picture is very much different. I am now required to work out the value of the total complex using five (5) tiers and then work out my percentage payable at 6.9%.

The new calculations for 2017-18 (See "1c Philip Rate Notice 1" and "1d Philip Rate Notice 2" attached) are shown below:

**SUBMISSION TO PUBLIC ACCOUNTS COMMITTEE
TO LOOK AT RATES FOR UNIT-TITLED RESIDENCES
BY PHILIP ROBERTSON**

New Calculation From 2017		
Unimproved Value Of Complex 2017-18		\$ 2,098,000.00
Unimproved Capital Value		\$ 144,762.00
Marginal Rate Using Five Tiers		\$ 11,674.62
My Percentage	6.9%	805.55

2017-18 Marginal Rates		
Residential AUV Range \$		Percentage
000,001	150,000	0.2960
150,001	300,000	0.4088
300,001	450,000	0.5130
450,001	600,000	0.5603
600,001	Above	0.6013

Calculations	Amount \$	Percentage	Total Amount
1st Calculation	150,000	0.2960	444.00
2nd Calculation	150,000	0.4088	613.20
3rd Calculation	150,000	0.5130	769.50
4th Calculation	150,000	0.5603	840.45
5th Calculation	1,498,000	0.6013	9,007.47
Total Payable Complex			11,674.62
Valuation Based Charge			805.55
Fixed Charge			765.00
Fire and Emergency Service Levy			294.00
Less Pensioner Rebate (Capped at \$798.00)			-797.99
Sub Total			1066.56
Less 1 percent Discount			-10.67
Safer Families Levy			30.00
Less one-off rebate on all residential unit properties			0.00
Total Payable \$			1085.89
NB: I did not receive my full Pensioner Rebate.			
NB: For comparison I have not applied the one-off rebate on all unit properties.			
Payable This Year			1,085.89
Paid Last Year			737.26
Increase this year			348.63
Increase this year percentage			47.29%

Comparison To Adjoining Property

I would like to point that my brother who owns a much bigger (non-unit-titled residence) property adjoining mine (AUV actually \$251,666 for 2017-18) (See “3b Geoff Rate Notice 1” and “3c Geoff Rate Notice 2” attached), is only required to calculate his “Valuation Based Charge” on two tiers and not five, as I am required.

BROTHERS RATES BASED ON AVI \$251,666			
Calculations	Amount	Percentage	Total Amount
1st Calculation	150,000	0.2960	444.00
2nd Calculation	101,666	0.4088	415.61
Brothers Rates			859.61

My brother was not asked to inflate the value of his property, then work out his “Valuation Based Charge” on five tiers, instead of two, and then take the correct percentage.

**SUBMISSION TO PUBLIC ACCOUNTS COMMITTEE
TO LOOK AT RATES FOR UNIT-TITLED RESIDENCES
BY PHILIP ROBERTSON**

Brothers payment this year		1893.43
Brothers payment last year		1778.73
Increase this year		114.70
Increase this year percentage		6.45%

The response from ACT Revenue (See “2 ACT Revenue Response (24.08.17)” attached) stated in part that “*The change in the way Rates are calculated was written into legislation last year and as such we are unable to revert back to the older method of calculation as per your request.*”

In my response to ACT Revenue (See “3a Tristan Response To ACT Revenue (29.08.17)” attached) I included a copy of my brother’s rate notice and pointed out in part that “*My “Valuation Based Charge” is \$805.55 whereas my brothers “Valuation Based Charge” is \$859.61. This is a difference of only \$54.06 which is about 6.7%. This does not appear to agree with your statement that “ general rates remain about 40 per cent lower on average for units than houses”.*”

I also pointed out that “*Your statement that “The change in the way rates are calculated was written into legislation last year and as such we are unable to revert back to the older method of calculation as per your request” is untrue. Just as the legislation was amended to vary the method of calculation it can be revoked, varied or revised at any time”.*”

ACT Revenue in their response dated 29.08.17 but only received on 13.02.18 (See “4 ACT Revenue Response (29.08.17)” attached) advised in part that “ *I note your client has included a copy of his brother’s rates notice and I note that property is a residential house not a residential unit. The change of methodology in calculating rates has only affected residential units and therefore comparing rates increases from a residential unit to a house does not provide an accurate comparison”.*”

This is the very point that I was trying to make. The new methodology is unfair as it only affects unit-titled residences and does not apply the same rate percentage increase equally to all unit-titled residences and non-unit-titled residences alike.

They did concede however that “*For this to happen for the next financial year, it is correct that the legislation will have to change again”.*”

As I did not receive my second response from ACT Revenue till 13.02.18 and as they did not appear to be taking any interest in my object, I did not respond, but rather forwarded my concerns to Mr Gary Petherbridge (President of Owners Corporation) for action.

It is clear that unit-titled residences are being unfairly treated by the new method of calculation. As pointed out above I received an increase of 47.29% in my rates, whilst my brothers rate increase for a non-unit-titled residence was only 6.45%.

Hopefully the Public Accounts Committee will look favourably on my submission and recommend that the old method of calculation for unit-titled residences be reinstated, so that the same percentage increase is applied equally to all unit-titled residences and non-unit-titled residence alike.

It is also hoped that the revised legislation to reinstate the old methodology will include a provision to allow unit-titled residences to be refunded the excess rates paid on their 2017/18 Rate Assessment.

Should any member of the committee wish to contact me they may do so on 6255-0838.

Philip Robertson
11.03.18



ABN: 56 773 678 429
 National Mail Centre:
 Locked Bag 3008
 Woden ACT 2606
 17-23 Townshend Street
 Phillip ACT 2606
 p: 1300 724 256
 www.civiumstrata.com.au

ACT Revenue Office
 PO BOX 293
 CIVIC SQUARE ACT 2608

Re: Rates Assessment Notice – Objection
 Units Plan [REDACTED] NGUNNAWAL ACT

We write regarding the method of calculation used for rate assessment for the year 2017-2018.

It appears that the rate assessment in respect of residential properties for the year 2017-2018 increased by 6.45%, whereas the increase for owners in body corporate's increased by 47.29%.

We have received complaints from a number of our clients with respect to this issue. We have copied the content of such a complaint below which constitutes our formal objection to the increase in question.

"I am a pensioner and have lived at my current address (Unit [REDACTED] Ngunnawal) since 2000. Since 2000 my rates have been based on a Residential AUV calculated by ACT Revenue Office. Up till now, the ACT Revenue Office took the total value of the complex and divided it by my "Unit Entitlement" (i.e. 69 Units or 6.9%) and this was the figure used to calculate the "Valuation Based Charge". Until now, my "Residential AUV" has always fallen within the first tier (i.e. between \$1 and \$150,000).

Based on the method of calculation for previous years, and using the new AUV for the complex of (\$2,098,000) and the new Residential AUV for 2017-2018, my rate assessment for 2017-2018 should have looked similar to that set out below:

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I expected my rates assessment for 2017-2018 to be \$763.08.

Under the new method of calculation the picture is very much different. I am now required to work out the value of the total complex using five (5) tiers and then work out my percentage payable at 6.9%.

The new calculations for 2017-2018 (see also attached rates notice) are shown below:

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Unimproved Value Of Complex 2017-18		\$ 2,098,000.00
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Sub Total			1066.56
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I would like to point that my brother who owns a much bigger single property adjoining mine (AUV actually \$251,666 for 2017-18) is only required to calculate his "Valuation Based Charge" on two tiers and not five, as I am required.

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My brother was not asked to inflate the value of his property, then work out his "Valuation Based Charge" on five tiers, instead of two, and then take the correct percentage.

Brothers payment this year		1893.43
Brothers payment last year		1778.73
Increase this year		114.70
Increase this year percentage		6.45%

It is clear that owners of body corporate properties are being unfairly treated by the new method of calculation. I received an increase of 47.29% in my rates, whilst my brothers rate increase was only 6.45%.

It is hereby lodge a formal written objection, on behalf of the Unit Owners (Unit Plan 974), regarding the new method of calculation of rates in respect of the body corporate, and request that the old method of calculation for body corporate rates be reinstated, so that the same percentage increase is applied to all homeowners.

We look forward to hearing from you.

Yours faithfully
CIVIUM STRATA



TRISTAN VEURINK



RATES ASSESSMENT NOTICE FOR THE YEAR 1/7/2017 TO 30/6/2018

Taxation Administration Act 1999 and Rates Act 2004

Suburb Ngunnawal	Section 19	Block 10	Unit 9	Account Number 41 2142104
Property Address: [REDACTED]				Notice Date: 17 July 2017



019 40190
P R Robertson
[REDACTED]
NGUNNAWAL ACT 2913

Charges for your unit title property in 2017-18 have been calculated on the Average Unimproved Value of the residential portion of the total unit complex (\$2,098,000.00), and your residential unit entitlement based on the total residential portion of your unit complex (6.900000%). See overleaf for further information.

Opening Balance (excludes payments received after 6 July 2017)	\$0.00 ✕
Valuation Based Charge	\$805.55 ✕
Fixed Charge	\$765.00 ✕
Fire and Emergency Services Levy	\$294.00 ✕
Less Pensioner Rebate <i>50% CAPPED at \$798.00</i>	-\$797.99 ✕
Sub Total	\$1,066.56 ✕
Less 1 per cent Discount	-\$10.67
Safer Families Levy (discount does not apply)	\$30.00 ✕
Less one-off rebate for all residential unit properties	-\$100.00 ✕
Total to pay by 15 August 2017 to receive discount:	\$985.89 ✕

(Direct Debit in place please see message below)

Payment by Instalments \$996.56 (no discount):

Instalment 1	Instalment 2	Instalment 3	Instalment 4
15 August 2017	15 November 2017	15 February 2018	15 May 2018
\$249.56	\$249.00	\$249.00	\$249.00

Please note: Interest (currently 9.73% p.a.) is charged and compounds monthly on any amounts that remain unpaid on the 16th day of each month.

GST - Exempt under Division 81 of the GST Legislation

** PAYMENT BY DIRECT DEBIT **

Payment of this account is covered by a Quarterly direct debit arrangement and no separate payment is required. Payment of the quarterly amount will be automatically deducted from your nominated account on the due date.

PREFERRED PAYMENT METHOD
Electronic Funds Transfer
BSB: 037 844 Account No: 412142104

B PAY Biller Code: 24398
Reference No: 4121421046

POST billpay *276 41 2142104

2017-18 Marginal Rates

Residential AUV		Commercial AUV		Rural AUV	
\$1 - \$150,000	0.2960%	\$1 - \$150,000	2.9760%	AUV x	0.1491%
\$150,001 - \$300,000	0.4088%	\$150,001 - \$275,000	3.4940%	Fixed charge \$155.00 <i>See Escrow / House / Rates for calculations</i>	
\$300,001 - \$450,000	0.5130%	\$275,001 - \$600,000	4.9350%		
\$450,001 - \$600,000	0.5603%	\$600,001 - and above	4.9930%		
\$600,001 - and above	0.6013%	Fixed charge \$2,380.00			
Fixed charge \$765.00					

Calculation: In 2017-18 the formula used to calculate charges for residential units is:

$(AUV \text{ of Master Property} \times \text{Marginal Rates}) \times \text{Unit Entitlement} + \text{Fixed Charge} + \text{Fire \& Emergency Services Levy} + \text{Safer Families Levy} - \100 rebate

(The unit entitlement used in the calculation is the individual unit portion of the total aggregate of residential properties in the complex).

Objection Rights: Unit title developments are treated as a single property for valuation purposes and individual valuation notices are not sent to unit owners. In these cases, the valuation notice is sent to the Owners Corporation, which may lodge an objection on behalf of all unit owners within that development.

Objections must be lodged in writing with the Commissioner for ACT Revenue within 60 days from the date of the notice.

For more information regarding rates, including all available assistance, please refer to the ACT Revenue Office website at <https://www.revenue.act.gov.au>.

Land Tax: You must notify the ACT Revenue Office of any residential property that is rented, or owned by a trustee. Penalties apply for failure to notify of land tax liability.

Contact ACT Revenue Office

Telephone 6207 0028 (Mon, Tue, Thur, Fri 9am-5pm) (Wed 10:30am-5pm)
E-mail ppd@act.gov.au
Correspondence PO Box 293 CIVIC SQUARE ACT 2608

PAYMENT METHODS

EFT **ELECTRONIC FUNDS TRANSFER**
 Please see front of notice for EFT details and use your financial institutions online banking service to make a payment.

DIRECT DEBIT
 Form available at www.revenue.act.gov.au or ACT Revenue Office.

BPAY
 Please see front of notice for BPAY details.

POST **AUSTRALIA POST**
 In person by cash, cheque, EFTPOS and Credit Cards (Visa and Mastercard only).

INTERNET
www.act.gov.au/accessCBR Credit Cards (Visa and Mastercard only).

RATES ASSESSMENT NOTICE FOR THE YEAR 1/7/2017 TO 30/6/2018

Taxation Administration Act 1999 and Rates Act 2004

Suburb Section Block Unit Account Number
 Ngunnawal 19 10 9 41 2142104
 Property Address: 9/84 Wanganeen Ave Notice Date:
 17 July 2017



010 40100

P R Robertson

NGUNNAWAL ACT 2913

Charges for your unit title property in 2017-18 have been calculated on the Average Unimproved Value of the residential portion of the total unit complex (\$2,098,000.00), and your residential unit entitlement based on the total residential portion of your unit complex (6.900000%). See overleaf for further information.

Opening Balance (excludes payments received after 6 July 2017)	\$0.00 ✖
Valuation Based Charge	\$805.55 ✖
Fixed Charge	\$765.00 ✖
Fire and Emergency Services Levy	\$294.00 ✖
Less Pensioner Rebate <i>50% CAPPED at \$798.00</i>	-\$797.99 ✖
Sub Total	\$1,066.56 ✖
Less 1 per cent Discount	-\$10.67
Safer Families Levy (discount does not apply)	\$30.00 ✖
Less one-off rebate for all residential unit properties	-\$100.00 ✖
Total to pay by 15 August 2017 to receive discount:	\$985.89 ✖

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Instalment 1	Instalment 2	Instalment 3	Instalment 4
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\$249.56	\$249.00	\$249.00	\$249.00

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GST - Exempt under Division 81 of the GST Legislation

** PAYMENT BY DIRECT DEBIT **

Payment of this account is covered by a Quarterly direct debit arrangement and no separate payment is required. Payment of the quarterly amount will be automatically deducted from your nominated account on the due date.

PREFERRED PAYMENT METHOD

Electronic Funds Transfer

BSB: 037 844 Account No: 412142104



Billier Code: 24398

Reference No: 4121421046



*276 41 2142104

2017-18 Marginal Rates

Residential AUV

Commercial AUV

Rural AUV

\$1 - \$150,000	0.2960%	\$1 - \$150,000	2.9760%	AUV x	0.1491%
\$150,001 - \$300,000	0.4088%	\$150,001 - \$275,000	3.4940%	Fixed charge \$155.00	
\$300,001 - \$450,000	0.5130%	\$275,001 - \$600,000	4.9350%	<i>See Excel / House / Parks for calculations</i>	
\$450,001 - \$600,000	0.5603%	\$600,001 - and above	4.9930%		
\$600,001 - and above	0.6013%	Fixed charge \$2,380.00			

Fixed charge \$765.00

Calculation: In 2017-18 the formula used to calculate charges for residential units is:

(AUV of Master Property x Marginal Rates) x Unit Entitlement + Fixed Charge + Fire & Emergency Services Levy + Safer Families Levy - \$100 rebate

(The unit entitlement used in the calculation is the individual unit portion of the total aggregate of residential properties in the complex).

Objection Rights: Unit title developments are treated as a single property for valuation purposes and individual valuation notices are not sent to unit owners. In these cases, the valuation notice is sent to the Owners Corporation, which may lodge an objection on behalf of all unit owners within that development.

Objections must be lodged in writing with the Commissioner for ACT Revenue within 60 days from the date of the notice.

For more information regarding rates, including all available assistance, please refer to the ACT Revenue Office website at <https://www.revenue.act.gov.au>.

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Please see front of notice for EFT details and use your financial institutions online banking service to make a payment.



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Form available at www.revenue.act.gov.au or ACT Revenue Office.



BPAY

Please see front of notice for BPAY details.



AUSTRALIA POST

In person by cash, cheque, EFTPOS and Credit Cards (Visa and Mastercard only).



INTERNET

www.act.gov.au/accessCBR Credit Cards (Visa and Mastercard only).



ACT
Government

ACT Revenue Office

ABN: 45 096 207 205

Our reference: 41-1067584

Telephone: 02 62070028

Mr Tristan Veurink
Locked Bag 3008
WODEN, ACT, 2606

Email: Tristan.Veurink@civium.com.au

Dear Mr Veurink,

Thank you for your letter of 11 August 2017 regarding the rates account for the property at [REDACTED] NGUNNWAL.

I note your concern about the calculation of Rates in this year's Assessment Notice. I would like to impress that the adjustment in rates in recent years is part of a significant program of reforms to make our taxation system fairer, simpler and more efficient.

In 2012 the government started a 20 year tax reform program. During this period, general rates will increase incrementally to offset the removal of inefficient taxes such as conveyance duty (also known as stamp duty) and insurance duty. These taxes are widely recognised as being inefficient, unfair, and can hinder economic growth and activity. Conveyance duty is also a volatile revenue source which is difficult to predict with any certainty and can vary significantly from year to year.

In the 2016-17 Budget, the government announced a change in the general rates calculation for multi-unit dwellings to base it on the total value of the land rather than the individual land value of the unit. The change took effect on 1 July 2017.

Under the previous methodology, the general rates charges for units were significantly less than houses with similar market values and rental returns. The change will establish greater equity in general rates liabilities between houses and units.

The change in calculation method for general rates is being phased in over two years from 2017-18, by applying a rebate of \$100 to units in 2017-18 which will be removed in 2018-19.

Despite this change, general rates remain about 40 per cent lower on average for units than houses.

They key differences between the 2016-17 rates and the 2017-18 rates are:

- An increase in the Fire and Emergency Services Levy, from \$252.00 to 294.00;
- A decrease in the discount for payment in full, from 2% to 1%;
- A change in the way the valuation based charge is calculated on unit titled properties:
 - 2016-17 calculation (AUV of Master Property x Unit Entitlement) x Marginal Rates;
 - 2017-18 calculation (AUV of Master Property x Marginal Rates) x Unit Entitlement; and
- A one-off \$100 rebate on unit titled properties for the 2017-18 rates

Referring to the 'Brother's property' noted, without knowing the details of the property advised, we cannot comment on the difference between the two properties. I can advise however that all residential units in the ACT are calculated in the same method. If the property however is listed as a commercial property, the method for calculation would be similar to last year as the methodology has not changed. Commercial properties do however pay a higher percentage of rates as per the marginal rates table.

The change in the way Rates are calculated was written into legislation last year and as such we are unable to revert back to the older method of calculation as per your request.

If you have any further questions, please contact the ACT Revenue Office on 02 6207 0028.

Yours sincerely

A handwritten signature in black ink, appearing to be 'M. Giff', written in a cursive style.

██████████
Manager,
Operations
24 August 2017

From: Philip Robertson
To: Robertson.Philip
Subject: 3a Tristan Response To ACT Revenue (29.08.17)
Importance: High

From: Tristan Veurink [<mailto:tristan.veurink@civium.com.au>]

Sent: Tuesday, 29 August 2017 10:49 AM

To: Crott, Peter

Subject: Re: Reply to ref: UP974/TJV [SEC=UNCLASSIFIED]

Hi Peter,

I have received the following reply from the client in question;

"Dear Mr Crott,

Thank you for your response.

I am aware that general rates have increased in recent years to offset the removal of inefficient taxes and this has not caused me any concern.

What is of concern is the new methodology for determining rates on multi-unit dwellings, that has seen my rates for this year increased by 47.29%, whereas the increase for my brother's much bigger single property adjoining mine was only 6.45%.

You stated that in respect of the brother's property that "without knowing the details of the property advised, we cannot comment on the difference between the two properties." My brother's property is situated at [REDACTED] Street Ngunnawal and adjoins mine. His back fence is my side fence. A copy of the brother's current rate notice has now been attached so that you can verify the comments made.

You advised that "all residential units in the ACT are calculated in the same method", but under the new method of calculation, I am required to work out the value of the total complex using five (5) ever increasing tiers and then work out my percentage payable at 6.9%., whereas my brother only has to calculate his "Valuation Based Charge" on two tiers. Thank you for highlighting the key differences between the 2016-17 and 2017-18 rates. I was fully aware of them from my rates notice and have noted that they are consistent for both mine and my brother's property except for the "Valuation Based Charge" and the fact that I am entitled to a pensioner concession.

My "Valuation Based Charge" is \$805.55 whereas my brother's "Valuation Based Charge" is \$859.61. This is a difference of only \$54.06 which is about 6.7%. This does not appear to agree with your statement that " general rates remain about 40 per cent lower on average for units than houses".

Your statement that "the change in the way rates are calculated was written into legislation last year and as such we are unable to revert back to the older method of calculation as per your request" is untrue. Just as the legislation was amended to vary the method of calculation it can be revoked, varied or revised at any time.

Probably the most distasteful part of the rates increase was that your words "The change in calculation method for general rates is being phased in over two years from 2017-18, by applying a rebate of \$100 to units in 2017-18 which will be removed in 2018-19."

Forgetting the \$100 rebate for this year, this is still an increase of 47.29%. There was a significant outcry when electricity prices increased

by 20% recently but the ACT Government has no qualms in increasing the rates on my property by 47.29%.

Surely if there had to be such a substantial increase, consideration could have been given to phasing the increase in over say 4 or 5 years at say an extra 10% per year.

It is therefore requested that further consideration be given to the calculation of rates in respect of the body corporate, and that the old method of calculation for body corporate rates be reinstated, so that the same percentage increase is applied to all homeowners.

Kind Regards"

Tristan Veurink

Division Manager - Strata



T [1300 724 256](tel:1300724256) | **F** [02 6162 0682](tel:0261620682) | **W** civium.com.au

A 17-23 Townshend Street, Phillip ACT 2606 | Locked Bag 3008, Woden ACT 2606



* Please consider the environment before printing this email

RATES ASSESSMENT NOTICE FOR THE YEAR 1/7/2017 TO 30/6/2018

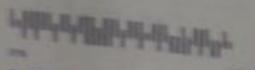
PO Box 293, Civic Square ACT 2608
www.revenue.act.gov.au

Taxation Administration Act 1989 and Rates Act 2004

Suburb
Ngumbinal
Section
19
Property Address: 4 Wellington St

Block
7

Account Number
41 2133231
Notice Date:
17 July 2017



M E Nira & C. Robertson
CORPORATE ACT 2912

*Paul
Online
29/7/17 9am*

Charges based on Average Unimproved Value (\$253,666 x rating factor). See overleaf for rating factors.

Opening Balance (excludes payments received after 6 July 2017)	
Valuation Based Charge	\$35.99
Fixed Charge	\$859.61
Fire and Emergency Services Levy	\$765.00
Sub Total	\$294.00
Less 1 per cent Discount	\$1,882.62
Safer Families Levy (discount does not apply)	-\$19.19
	\$30.00
Total to pay by 15 August 2017 to receive discount:	\$1,893.43

Payment by Instalments \$1,912.62 (no discount):

Instalment 1	Instalment 2	Instalment 3	Instalment 4
15 August 2017	15 November 2017	15 February 2018	15 May 2018
\$451.62	\$487.00	\$487.00	\$487.00

Please note: Interest (currently 8.73% p.a.) is charged and compounds monthly on any amounts that remain unpaid on the 15th day of each month.

GST - Exempt under Division 81 of the GST Legislation

**** DIRECT DEBIT ****

Did you know that you could pay your rates weekly, fortnightly or monthly by using our convenient Direct Debit option?

PREFERRED PAYMENT METHOD

Electronic Funds Transfer

BSB: 037 844 Account No: 412133231



Biller Code: 24396

Reference No: 4121332318



*29 41 2133231

RATES CALCULATION 2017-18

The amount of rates payable in 2017-18 has two components, a fixed charge and a valuation charge based on the average unimproved value (AUV) of your property (2015, 2016 and 2017).
The marginal tax rates are as follows:

Residential AUV		Commercial AUV		Rural AUV	
\$1 - \$150,000	0.2960%	\$1 - \$150,000	2.9760%	AUV x 0.1491%	
\$150,001 - \$300,000	0.4088%	\$150,001 - \$275,000	3.4940%	Fixed charge \$155.00	
\$300,001 - \$450,000	0.5130%	\$275,001 - \$600,000	4.9350%		
\$450,001 - \$600,000	0.5603%	\$600,001 - and above	4.9930%		
\$600,001 - and above	0.6013%				
Fixed charge \$765.00		Fixed charge \$2,380.00			

Levies:

Safer Families Levy applies to all residential and rural properties. Please note that the 1% discount does not apply to this levy.

The Fire and Emergency Services Levy applies to all rateable properties.

OBJECTION RIGHTS: If you are dissatisfied with an assessment of rates, you may, within 60 days from the date of the notice, lodge with the Commissioner for ACT Revenue a written objection to the assessment. Please refer to the following website for details: <https://www.revenue.act.gov.au/rates>

For more information regarding rates, including all available assistance, please refer to the ACT Revenue Office website at <https://www.revenue.act.gov.au>.

Land Tax: You must notify the ACT Revenue Office of any residential property that is rented, or owned by a trustee. Penalties apply for failure to notify of land tax liability.

Contact ACT Revenue Office

Telephone 6207 0028 (Mon, Tue, Thur, Fri 9am-5pm) (Wed 10:30am-5pm)
E-mail ppd@act.gov.au
Correspondence PO Box 293 CIVIC SQUARE ACT 2608

PAYMENT METHODS

EFT

ELECTRONIC FUNDS TRANSFER

Please see front of notice for EFT details and use your financial institutions online banking service to make a payment.

DIRECT DEBIT

Form available at www.revenue.act.gov.au or ACT Revenue Office.



BPAY

Please see front of notice for BPAY details.



AUSTRALIA POST

In person by cash, cheque, EFTPOS and Credit Cards (Visa and Mastercard only).



INTERNET

www.act.gov.au/access360 Credit Cards (Visa and Mastercard only)



ACT
Government

ACT Revenue Office

ABN: 45 096 207 205

Our reference: 41-2142104
Telephone: 02 62070028

Mr Tristan Veurink
Email: Tristan.Veurink@civium.com.au

Dear Mr Veurink,

Thank you for your email received 29 August 2017 regarding your clients concerns about the increases in Rates.

I note your client has included a copy of his brother's rates notice and I note that property is a residential house not a residential unit. The change of methodology in calculating rates has only affected residential units and therefore comparing rates increases from a residential unit to a house does not provide an accurate comparison.

The increase in residential units come from a change in the calculation as well as an increase to the marginal rate percentages. The increase to a house only comes from a marginal rate percentage change.

I note that your client states his rates have risen by 47.29%. Looking at the amounts from last financial year (\$1444.52) to this financial year (\$1794.55) pre pensioner rebate and discounts show an increase of just over 24 percent. Please let me know if those amounts are incorrect and if your client did receive an increase of 47.29%. It is also noted the pensioner rebate being received has increased as well from \$707.26 to \$797.99.

In relation to the difference in the rates between the two properties, the noted comment about residential units being "40 per cent lower on average for units than houses" is an accurate statement in relation to all residential properties in the ACT, whilst it may not reflect these particular instances.

As advised in my last correspondence, the change in the way Rates are calculated was written into legislation last year and as such for this financial year we are unable to revert back to the older method of calculation as per your request. For this to happen for the next financial year, it is correct that the legislation will have to change again.

If you have any further questions, please contact the ACT Revenue Office on 02 6207 0028.

Yours sincerely

A handwritten signature in black ink, appearing to be 'M. Giff'.


Manager,
Operations
29 August 2017