

APPENDIX A

Specific Provisions for Differential Rating (section 161 of the *Local Government Act 1989*):

- 1) A Council may raise any general rates by the application of a differential rate if-
 - (a) it uses the capital improved value system of valuing land; and
 - (b) it considers that the differential rate will contribute to the equitable and efficient carrying out of its functions.

- (2) If a Council declares a differential rate for any land, the Council must:-
 - (a) specify the objectives of the differential rate which must be consistent with the equitable and efficient carrying out of the Council's functions and must include the following-
 - (i) a definition of the types or classes of land which are subject to the rate and a statement of the reasons for the use and level of that rate in relation to those types or classes of land;
 - (ii) an identification of the types or classes of land which are subject to the rate in respect of the uses, geographic location (other than location on the basis of whether or not the land is within a specific ward in the Council's municipal district) and planning scheme zoning of the land and the types of buildings situated on it and any other criteria relevant to the rate;
 - (iii) if there has been a change in the valuation system, any provision for relief from a rate for certain land to ease the transition for that land; and
 - (b) specify the characteristics of the land which are the criteria for declaring the differential rate.

- (3) A Council which declares a differential rate must ensure that copies of the following information are available for public inspection at the Council office-
 - (b) the objectives of the differential rate and the criteria on the basis of which that rate was declared;
 - (c) the rate and amount of rates payable in relation to land in each category of differential rating and what proportion of the total rates and charges this represents;
 - (d) any other information which the Council considers it necessary to make available.

- (5) The highest differential rate in a municipal district must be no more than 4 times the lowest differential rate in the municipal district.