

2016 General Valuation adopted

Council adopted the 2016 General Valuation of the municipality and a copy of the valuation return will be submitted to the Valuer General.

Given that rates are a tax based on property valuations a General Valuation of all rateable properties in South Gippsland Shire is required every two years, as articulated by the *Valuation of Land Act 1960*. Rates represent 3.4 per cent of the overall taxation collected in Australia.

Council returns three valuation bases:

- capital improved value (CIV), which reflects the value of the land and all fixed improvements, including property
- site value (SV), which reflects the value of land only
- net annual value (NAV), which reflects the annual rental value of the property net of fixed costs.

South Gippsland Shire Council uses CIV to calculate rates.

Director Corporate and Community Services, Jan Martin, said the CIV of the total 19,793 rateable properties increased by \$276,223,000 or 3.78% from 2014 levels.

“The current trend in valuation from the 2014 levels indicates little change generally, with modest gains or reductions in some areas as well as a few notable exceptions,” she explained.

“The residential increase across all residential Australian Valuation Property Classification categories was 3.86 per cent. Townships with closer proximity to Metropolitan Melbourne and the Latrobe Valley generally reflected greater value gains and conversely a softening of values was noted in the easternmost parts of the Shire.”

“Increases in property values do not necessarily result in a rate rise. Council frames its budget around the income it needs to provide the services and assets required by the community. Property valuations are then used to determine how much each ratepayer will pay, according to the value of their property compared to other properties within the Shire. Councils do not collect extra revenue as a result of changes in property valuations. Valuations are simply used to help calculate the rates payable for each individual property,” explained Ms Martin.

Council will issue its rates notices in the first quarter of the 2016/17 financial year.

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