



Rates

Frequently Asked Questions

What are rates?

Rates are a tax that is collected in order to provide services for your local community. However, instead of the tax being deducted from your income before you see it, rates are paid via a bill each year.

Why do I pay rates?

Rates provide services to our local communities such as Maternal and Child Health, immunisation, playgroups, business support and sporting facilities. This is in addition to the essential services that people are most familiar with: roads, footpaths, parks and gardens, weed management, waste and recycling. You might not use each of these services yourself, but your rates help to provide these services for the whole of the community.

How are rates calculated?

To calculate rates, the total amount of rate revenue is divided across the total value of rateable properties to establish the 'rate in the dollar' for each rate category. This is then multiplied by each individual property's Capital Improved Value (CIV) to determine how much each property owner pays.

Do I add the Site Value to the Capital Improved Value?

No, you do not add them together, the Capital Improved Value should represent within 10% of the market value on the 1st of January at the start of each year.

What is a rate cap?

Each year the Victorian Government sets a limit on how much Council is allowed to collect from rates. This is called a rate cap. In 2023/24 councils can only increase the average amount of rates raised by 3.5%. This does not apply to the waste charge or Fire Services Levy. The rate cap does not mean the rates for each individual property will increase by 3.5% as the cap applies to the average rates bill and not individual properties.

Why have my rates increased more than 3.5%?

Your property value determines your share of the total rates bill. Each year properties are revalued by the State Government. Some properties may have increased in value and some may have decreased in value. Higher value properties pay a greater share of the rates bill, while lower value properties pay a smaller share. The key issue in determining your share of the 3.5% rate cap increase is how your property valuation has moved in comparison to the average movement of other properties in South Gippsland. For example Fred's property valuation has increased by more than the average value of other properties in South Gippsland. This means his share of the overall rates bill increase will be more than 3.5%. On the other hand, Joan's property valuation has increased by less than the average value of other properties in South Gippsland, meaning her rates bill will increase by less than 3.5%. Joan may even pay less rates this year than she did last year.

How have property values changed in South Gippsland?

Due to high demand for properties valuations have increased in South Gippsland Shire on average 19.51%. Farms have had the largest increase of 30.06%, Residential 14.66%, Commercial 12.71%, Industrial 3.68% and non-ratable properties 18.98% (these include private schools, Shire assets including car parks, offices and reserves that are subject to Fire Service Levies but are exempt of rates. All property types are valued annually.

How are properties valued?

Your property is valued each year by the Victorian Government's Valuer General. Your property value (CIV) is used to work out how much the rates of each property will be. The valuations on your rate notice are reflective of the market analysis as at 1 January 2023.

What do I do if I object to the valuation of my property?

Our Rates team will be able to discuss any concerns about your property valuation on 5662 9200 and can assist with the objection process.

How do I pay my rates?

- In full by 15 February 2024.
- Instalment plans – first payment due 30 September 2023.
- For other payment plans or difficulty paying, please contact the Rates team on 5662 9200 at your earliest convenience.

I'm experiencing difficulty paying my rates, what can I do?

If you are experiencing financial hardship or you believe you will have difficulty paying, please contact the Rates team at your earliest convenience who can assist you with a personal payment plan.