

Frequently asked questions

How do valuation changes affect my rates?

It is not the valuation that determines the amount of the general rate or differential general rate you pay, it is determined by the 'rate' (or cents per dollar) which a council applies to that valuation.

If you live in a townhouse or unit complex, the council will levy your general or differential general rate on the portion of the valuation allocated according to your interest schedule of lot entitlement, or alternatively, you may be charged the minimum general rate set by council.

How can I find out more about the way my council raises revenue?

Your council is required to document the processes used to raise revenue. These documents are publicly available and include the corporate plan, operational plan, revenue policy, revenue statement and budget. To view any of these documents contact your council.

How do I make a complaint about my rates notice?

To make a complaint about your rates notice, you must contact your council directly.

Council's budget

The *Local Government Act 1993* requires a local government to adopt a budget for each financial year. In normal circumstances, the budget is adopted between 1 June and 31 August each year. The annual budget must be consistent with the aims and direction of the council's corporate plan, its revenue policy and annual operational plan.

Revenue raising

There are six main ways that local governments raise money to provide infrastructure and services to communities. These are:

1. Rates and levies
2. Profit from council owned businesses including child care centres, public housing, caravan parks and camping grounds, sporting and recreational facilities and areas, cultural and heritage activities and transport services
3. Fees and charges
4. Grants and subsidies
5. Borrowings
6. Developer contributions/infrastructure charges levied on land being developed to pay for water supply, sewerage and drainage, roads and pathways and public recreation.

Further information

To find out more about how your council levies rates and charges, contact your council directly. Contact details for your local council can be found in the Local Government Directory at www.lgp.qld.gov.au/?ID=48.

To find out more about valuations, contact the Department of Natural Resources and Water on 1300 664 217 or visit the Department of Natural Resources and Water website at www.nrw.qld.gov.au.

To find out more about Land Tax, contact the Office of State Revenue on 1300 301 547 or visit the Office of State Revenue website at www.osr.qld.gov.au.

Council rates and charges

Information on how councils determine the amount you pay



Queensland Government

Department of Local Government,
Sport and Recreation



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Taking care of rates

Councils need to charge rates to raise revenue in order to provide services and infrastructure to their communities. Each year as part of the budget process, council decides the rates and charges for the financial year.

The level of rates land-owners must pay is at the **sole discretion of their council**.

How do councils control rates?

Councils decide the level of rates land owners pay through the following processes:

1. Councils evaluate and determine the range of services necessary to support the community. For example, waste management, local roads and suburban care.
2. A budget is formulated by considering how much money is needed to fund council services and infrastructure.
3. Councils consider how much they can expect to receive in funds from the Federal and State Governments and other income sources.
4. Councils determine how much money is required from rates and charges to cover the balance of expenditures.
5. Councils decide the best mix of rates and charges to provide services to the community.

Types of rates and charges

Councils must levy a general or differential general rate on all rateable land. However, councils have considerable flexibility in calculating the rates they choose to adopt.

General Rate: A rate is levied equally on the unimproved value of the land and is expressed as a number of cents per dollar of valuation. It is the same rate in the dollar for all rateable land in the local government area.

Differential General Rate: A rate levied where it would be inequitable and unfair to levy a single general rate on all land in a council's area. Councils may determine different categories of rateable land that may be based on: land use, access, or consumption of council services.

A council may levy a different rate in the dollar for each category.

Minimum General Rate: The minimum amount payable of a general rate or differential general rate determined by council, irrespective of valuation.

Separate Rate or Charge: A rate or charge levied equally on all rateable land in the local government area to fund a particular service, facility or activity that benefits the entire community. For example, an environment levy, waste management levy, or bushland preservation levy.

Special Rate or Charge: A levy on specific land which receives a special benefit from the provision of a service, facility or activity. An example would be road maintenance.

Utility Charge: A charge for the provision of water, gas, sewerage or refuse collection services. Water charges may have a two-part charge for access and consumption.

State Charge: On the rate notice, there may be listed an 'Urban Fire Levy' for example. This money is collected through the rate notice and is paid to the State Government to fund fire services in the area.

Rates and amalgamated councils

Following the council elections on 15 March 2008, the face of local government in Queensland significantly changed. The State's 73 councils are better equipped to meet the challenges facing local government now and well into the future.

Will my rates increase?

Newly-merged councils have been advised to carefully consider the cost-savings of amalgamation and weigh them against any potential costs when considering rate rises.

Research carried out by the Department has shown the average transition costs from amalgamation are likely to be around one per cent of council revenue.

Similar reforms in other states have also shown savings to be around two to three per cent annually, which is achieved through streamlined business systems and reduced duplication of services.

Therefore, the savings from amalgamation outweigh the costs.

Councils affected by amalgamation have four years to consolidate existing rating schemes within their new local government areas to one uniform rates policy. This means there may be some rates decreases and some rates rises for ratepayers.

Allowing this time to make the transition will help councils to moderate the impacts on residents as rates and charges are consolidated across local government.

Government Support

The Queensland Government is strongly committed to ensuring all councils have the capacity and resources to meet changing community needs and to cope with future growth.

The Government administers a range of funding programs to help councils upgrade and develop essential services and infrastructure in their local communities, including water and sewerage, community facilities and tourism development.

These funding programs assist your council to build sustainable, vibrant and healthy communities.

More information is available at www.localgovernment.qld.gov.au.