

# Statement of Objects and Reasons

Differential Rates for 2026-27

Saturday 18 April 2026

## Contents

|  |   |
|--|---|
| Introduction .....                                   | 3 |
| Methods of Rating .....                              | 3 |
| Differential Rating.....                             | 4 |
| Minimum Payments.....                                | 4 |
| Rating Categories to be Imposed.....                 | 5 |
| Overall Objective.....                               | 5 |
| Objects and Reasons.....                             | 5 |
| Townsite – GRV .....                                 | 5 |
| Minimum Payment in respect to Townsite – GRV .....   | 5 |
| Pastoral – UV .....                                  | 6 |
| Minimum Payment in respect to Pastoral – UV .....    | 6 |
| Non-Pastoral – UV.....                               | 6 |
| Minimum Payment in respect to Non-Pastoral – UV..... | 7 |
| Forecasted Financial Impact.....                     | 7 |
| Important Note.....                                  | 7 |
| Invitation for Submissions .....                     | 7 |

Pursuant to Section 6.36 of the *Local Government Act 1995* and Council's "Notice of Intention to Levy Differential Rates and Minimum Payments", the following information details the objects and reasons for those proposals.

## Introduction

For the purposes of determining rates each year, property valuations have been the standard basis for the calculation of rates, not only in Australia, for many overseas countries as well.

However, it is recognised valuations alone do not always produce perceived equitable results in all communities and therefore the *Local Government Act 1995* (the Act) provides several options, such as differential and specified area rates, to assist in achieving the desired rating outcome.

The purpose of levying rates is to meet the budget requirements of the local government each year in a manner deemed to be fair and equitable to the ratepayers of the community.

## Methods of Rating

The Act specifies where land is used predominantly for rural purposes, the rate levied shall be based upon its Unimproved Value (UV); and where land is predominantly for non-rural purposes, the rate levied shall be on its Gross Rental Value (GRV).

Unimproved Value land may also contain mining activity where rights to conduct mining-related activity occur, hence one physical patch of land may be rated twice, or more (once for rural purposes and once, or more, for mining-related purposes).

A change in valuation methodology for a property (e.g. from UV to a GRV rating method) must be made by the Council to the State Government Department responsible for Local Government.

The Minister responsible for Local Government must then approve a change in the valuation methodology for a property, based on the recommendation by the Department.

In accordance with the Act, the Shire of Meekatharra uses both Gross Rental Valuations and Unimproved Valuations in the calculation of annual rates.

Typically, assessments with a Gross Rental Valuation are valued every three years and those with an Unimproved Valuation are valued every year.

Valuations are supplied by the Valuer General (Landgate) in accordance with legislation.

Interim valuations are issued to Council from Landgate for property assessments where changes have occurred because of, amongst other reasons, subdivisions, building construction / demolition, additions and / or property rezoning.

In such instances, the Shire is required to amend the rates for the property assessments concerned and issue an amended rate notice to the owner.

## Differential Rating

Differential rating provides flexibility in the level of rates being raised from specifically identified property assessments, or groups of property assessments, within the district.

It is common for councils to base differential rating for property assessments on Town Planning Scheme zonings, however other criteria such as land-use may also be used.

The aim of the Council of the Shire of Meekatharra is to ensure rate revenue is collected on a perceived equitable basis from all property assessments.

For this reason, Council has proposed to adopt differential rates for the upcoming financial year.

Section 6.33 of the *Local Government Act 1995* makes provision for the Shire to be able to levy differential rates based on several criteria.

A local government may impose differential general rates according to any, or a combination, of the following characteristics –

- The purpose for which the land is zoned, or
- A purpose for which the land is held or used as determined by the local government, or
- Whether or not the land is vacant land, or
- Any other characteristic or combination of characteristics prescribed.

Section 6.33 of the Act also permits Council to levy differential rates if the highest differential is no more than twice the lowest differential.

A greater difference in differential rates may only be used if Ministerial approval is given.

## Minimum Payments

Section 6.35 of the *Local Government Act 1995* makes provision for the Shire to set a minimum payment in relation to rateable land.

Subject to Section 6.35, a local government may impose on any rateable land in its district a minimum payment which is greater than the general rate would otherwise be payable.

A minimum payment is to be a general minimum however a lesser minimum may be imposed in respect of any portion of the district.

In applying a minimum payment, Council is to ensure the minimum payment is not imposed on more than fifty percent of the number of separately rated property assessments in the district, or the number of property assessments in each of the following categories –

- Land rated on Gross Rental Value,
- Land rated on Unimproved Land,
- Each differential rating category where a differential rate is imposed.

Council may also impose a differential general rate on any land on the basis the land is vacant and may impose a minimum payment in a manner which does not comply with the other requirements as stated for minimum payments.

## Rating Categories to be Imposed

The following are the proposed Rating and Minimum Payment categories for the Shire of Meekatharra for the 2026-27 financial year, to be effective from 1 July 2026 –

- Townsite – GRV
- Minimum payment in respect to Townsite – GRV
- Pastoral – UV
- Minimum payment in respect to Pastoral – UV
- Non-Pastoral – UV
- Minimum payment in respect to Non-Pastoral – UV

## Overall Objective

The rates in the dollar, and the respective minimum payments, are calculated to provide the shortfall in the estimated revenue required to enable the Shire to provide necessary works and services in the coming financial year after considering all non-rate sources of revenue.

## Objects and Reasons

### Townsite – GRV

**Proposed rate in the dollar of 0.10**

The reason for the level of GRV rate is to allow for a fair contribution to the maintenance and provision of town infrastructure and services to a sustainable level.

This differential rate is applicable to GRV property assessments having a predominant land use of residential, commercial, industrial, community benefit, or other use which are located within the townsite.

The Townsite – GRV rate in the dollar applied is to reflect the financial impact and costs to provide community services and activities as well as maintain the Shire's infrastructure and to further the Shire's strategic goals to encourage and support development in the town.

### Minimum Payment in respect to Townsite – GRV

**Proposed minimum payment of \$425**

The object of the proposed minimum payment for this category is to ensure the amount reflects an alignment to other similar rating categories in the broader region.

It is also recognition every assessment in this category receives some level of benefit from provided works and services.

## Pastoral – UV

### Proposed rate in the dollar of 0.09

This differential rate is applicable to UV property assessments having a predominant pastoral land use. In general, this means any land –

- Which has been granted a pastoral lease under the repealed *Land Act 1993*, or
- A renewed pastoral lease (administered by the Department of Planning, Lands and Heritage), or
- Land predominately used for pastoral activities as defined in the *Land Administration Act 1997*.

The object of the Pastoral – UV rate in the dollar is to recognise generally –

- The impact economic and climatic fluctuations have on property landholders' financial capacity to pay,
- The lower overall level of impact pastoral activities generally has on infrastructure in the district, and
- The permanent nature of pastoral businesses relevant to mining and other non-pastoral businesses.

## Minimum Payment in respect to Pastoral – UV10.

### Proposed minimum payment of \$530

The object of the proposed minimum payment for this category is to ensure the amount reflects an alignment to other similar rating categories in the broader region.

It is also recognition every assessment in this category receives some level of benefit from provided works and services.

## Non-Pastoral – UV

### Proposed rate in the dollar of 0.26

This differential rate is applicable to UV property assessments, other than those identified in other differential categories.

In general, this means any non-pastoral land such as land used for mining related activities, roadhouses, communication transmission sites or other uses which are provided with a UV classification.

The object of this differential rate is to be the base rate by which all UV rated properties are assessed and is to reflect and raise revenue to manage the impact on the Shire by mining and resource sectors, and other landholders not meeting the Pastoral – UV differential rating category requirements.

## Minimum Payment in respect to Non-Pastoral – UV

### Proposed minimum payment of \$665

The object of the proposed minimum payment for this category is to ensure the amount reflects an alignment to other similar rating categories in the broader region.

It is also recognition every assessment in this category receives some level of benefit from provided works and services.

## Forecasted Financial Impact

The estimated Forecasted Financial Impact to the Shire of Meekatharra utilising the Rating and Minimum Payment categories mentioned is a yield of \$8,903,000.

## Important Note

As at the date of publication of this document the Valuer General's Office continue to supply interim valuations to the Shire, which are effective for the coming financial year.

This may impact the final applied rates in the dollar and minimum payments for each of the categories.

## Invitation for Submissions

Submissions are invited from any elector or ratepayer with respect to the proposed differential rates, and any related matters.

Submissions should be sent to –

**Shire of Meekatharra**

**PO Box 129**

**Meekatharra WA 6642**

Or by email to –

**shire@meekatharra.wa.gov.au**

And clearly marked –

**Shire of Meekatharra – Differential Rates Submission**

All submissions are to be received by no later than 4:00 pm Thursday 28 May 2026.

**Nathan Cain**

**Chief Executive Officer**