

Notice of Motion, Cr Mayne: Land Tax, Fire Services Levy and Congestion Tax

Motion

1. That the Future Melbourne Committee requests management to prepare a report for the 14 April 2015 meeting which:
 - 1.1 Estimates the proportion of total Land Tax, Fire Services Levy and Congestion Tax revenue collected by the State which comes from landowners in the City of Melbourne, including by directly requesting the information from the State Revenue Office.
 - 1.2 Assesses what proportion of City of Melbourne's residential and non-residential rate payers are liable for land tax.
 - 1.3 Summarises the impact of the 2014 site value valuations in the City of Melbourne on state government land tax revenue.
 - 1.4 Compares historical rate in the dollar levels of land tax against City of Melbourne rates over the past 25 years.
 - 1.5 Provides analysis of the tax rates used by the state in the collection of the fire Services levy, Land Tax and Congestion Tax and compares shifts in annual yields to that achieved in the City of Melbourne.
 - 1.6 Outlines the revenue split in the four major annualised property holding taxes (land tax, council rates, fire services levy and congestion tax) between residential and non-residential property owners in the City of Melbourne.

Background

Annual land tax revenue for the state has risen from approximately \$400 million to a projected \$1.9 billion over the past 20 years. As Council prepares to determine its rating strategy in 2015-16 and beyond in what is potentially a changing regulatory environment, it would be prudent for council and the community to access some factual information on the level of property taxes applicable in the City of Melbourne. Whilst Council has dramatically reduced the 'rate in the dollar' collected from council rates since the 1990s, the same hasn't happened with land tax, leading to soaring land tax receipts, much of which comes from City of Melbourne landowners.

Moved: Cr Mayne