



Australian Capital Territory

# Rates Amendment Act 2015

**A2015-44**

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An Act to amend the *Rates Act 2004*

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The Legislative Assembly for the Australian Capital Territory enacts as follows:

**1 Name of Act**

This Act is the *Rates Amendment Act 2015*.

**2 Commencement**

This Act commences on the day after its notification day.

*Note* The naming and commencement provisions automatically commence on the notification day (see [Legislation Act](#), s 75 (1)).

**3 Legislation amended**

This Act amends the *Rates Act 2004*.

**4 Imposition of rates  
Section 14 (3), definition of AUV**

*substitute*

*AUV* means—

- (a) the average unimproved value of the parcel; or
- (b) for airport land—the AUV of airport land under section 40C.

**5 New part 5A**

*insert*

**Part 5A Airport land**

**40A Definitions—pt 5A**

In this part:

*Canberra Airport* means Canberra Airport Pty Ltd (ACN 080 361 548).

*development index*—see section 40D.

*growth index*—see section 40E.

**40B Meaning of *airport land***

In this Act:

*airport land* means—

- (a) the following parcels of land:
  - (i) section 0, blocks 587, 594, 595, 614, 660, 724, 725, 726 and 727 of Majura;
  - (ii) section 17, block 3 of Pialligo;
  - (iii) section 28, block 3 of Pialligo; and
- (b) any other land comprised in an airport lease granted to Canberra Airport by the Commonwealth under the *Airports Act 1996* (Cwlth), section 13 (Commonwealth may grant airport lease).

**40C AUV of airport land**

- (1) The AUV of airport land as at 1 January 2015 is \$23 931 667.
- (2) The AUV of airport land as at 1 January in a later year is worked out as follows:

last AUV  $\times$  (1 + (development index + growth index))

*last AUV* means the AUV of airport land as at the previous 1 January.

**40D Working out the development index**

- (1) For the purposes of section 40C (2), the *development index* is—
  - (a) until the first calendar year in which the total lettable area of airport land on 1 January of that year is equal to, or more than, 377 901m<sup>2</sup> (the *first year*)—zero; and
  - (b) for the first year or a later year—the amount worked out under subsection (2).

- (2) For subsection (1) (b), the development index is the change in the total lettable area of airport land over a calendar year, worked out as follows:

$$\frac{[\text{total lettable area} - \text{last total lettable area}]}{\text{last total lettable area}}$$

- (3) For the purposes of working out the development index for a particular calendar year, Canberra Airport must give the commissioner, by 30 April in that year, a copy of an audited statement—

(a) prepared by an independent auditor appointed by Canberra Airport; and

(b) setting out—

(i) whether any development or demolition was completed in the previous calendar year; and

(ii) if development or demolition was completed in the previous calendar year—the total lettable area as at 1 January in the particular calendar year.

- (4) In working out the development index for a particular calendar year, the commissioner must consider the information in the audited statement.

- (5) In this section:

**aviation activity** means an activity involving 1 or more of the following:

(a) a runway;

(b) a taxiway;

(c) an apron;

(d) a hangar;

(e) an aviation rescue firefighter station;

- (f) a facility operated by Airservices Australia under the *Air Services Act 1995* (Cwlth);
- (g) a control tower;
- (h) anything else prescribed by regulation.

**gross floor area**, of a terminal building—

- (a) means the total area of all floors of the terminal building, measured from—
  - (i) the external faces of its exterior walls; or
  - (ii) the centre line of walls separating the building from another building; but
- (b) does not include an area used only for a rooftop fixed mechanical plant or basement car parking.

**last total lettable area**, of airport land, on 1 January in a particular calendar year means—

- (a) in the first year—377 901m<sup>2</sup>; and
- (b) in a later calendar year—the total lettable area on the previous 1 January.

**Method of Measurement** means the *Method of Measurement: Commercial – 2008* published by the Property Council of Australia on 1 July 2008.

*Note* The *Method of Measurement: Commercial – 2008* may be purchased at [www.propertyoz.com.au/bookshop](http://www.propertyoz.com.au/bookshop).

**total lettable area**, of airport land, on 1 January in a particular calendar year—

- (a) means the total on that day, in square metres, of—
  - (i) the following, in relation to buildings on airport land (excluding the terminal buildings), worked out in accordance with the Method of Measurement:
    - (A) the net lettable area;
    - (B) the gross lettable area—retail; and
  - (ii) the gross floor area of the terminal buildings; but
- (b) does not include an area—
  - (i) developed only for an aviation activity; or
  - (ii) for which a certificate of compliance under the [Airports Act 1996](#) (Cwlth), section 107 has not been issued.

#### **40E Working out growth index**

- (1) For the purposes of section 40C (2), the **growth index** is the change in the AUV of relevant commercial land over a calendar year worked out as follows:

$$\frac{\text{second commercial land AUV} - \text{first commercial land AUV}}{\text{first commercial land AUV}}$$

**first commercial land AUV**, for a particular calendar year, means the total AUV of all relevant commercial land on 1 January in the year ending immediately before the particular year.

**relevant commercial land**, for a particular calendar year, means all land in the Territory, other than airport land, that was commercial land—

- (a) on 1 January in the particular year; and
- (b) for the whole of the year immediately before the particular year.

**second commercial land AUV**, for a particular calendar year, means the total AUV of all relevant commercial land on 1 January in the particular year.

*Note*        **Commercial land**—see the dictionary.

- (2) For the purposes of working out the growth index over a calendar year, the commissioner must give Canberra Airport information about the AUV of all relevant commercial land on 1 January in the calendar year, by 30 April in that year.

#### **40F        Expiry—airport land provisions**

The following provisions expire 15 years after the day this section commences:

- (a) section 14 (3), definition of **AUV**, paragraph (b);
- (b) part 5A;
- (c) schedule 1, section 1.1 (3), definition of **AUV**, paragraph (b);
- (d) dictionary, definitions of **airport land**, **Canberra Airport**, **development index** and **growth index**.

**6 Levies**  
**Schedule 1, section 1.1 (3), definition of AUV**

*substitute*

*AUV* means—

- (a) the average unimproved value of the parcel; or
- (b) for airport land—the AUV of airport land worked out under section 40C.

**7 Dictionary, new definitions**

*insert*

*airport land*—see section 40B.

*Canberra Airport*, for part 5A (Airport land)—see section 40A.

*development index*, for part 5A (Airport land)—see section 40D.

*growth index*, for part 5A (Airport land)—see section 40E.



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## Endnotes

**1 Presentation speech**

Presentation speech made in the Legislative Assembly on 17 September 2015.

**2 Notification**

Notified under the [Legislation Act](#) on 5 November 2015.

**3 Republications of amended laws**

For the latest republication of amended laws, see [www.legislation.act.gov.au](http://www.legislation.act.gov.au).

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I certify that the above is a true copy of the Rates Amendment Bill 2015, which was passed by the Legislative Assembly on 29 October 2015.

Clerk of the Legislative Assembly

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