

2015

THE LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

(As presented)

(Treasurer)

Rates Amendment Bill 2015

A Bill for

An Act to amend the *Rates Act 2004*

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

- 1 **1 Name of Act**
- 2 This Act is the *Rates Amendment Act 2015*.
- 3 **2 Commencement**
- 4 This Act commences on the day after its notification day.
- 5 *Note* The naming and commencement provisions automatically commence on
- 6 the notification day (see [Legislation Act](#), s 75 (1)).
- 7 **3 Legislation amended**
- 8 This Act amends the *Rates Act 2004*.
- 9 **4 Imposition of rates**
- 10 **Section 14 (3), definition of AUV**
- 11 *substitute*
- 12 *AUV* means—
- 13 (a) the average unimproved value of the parcel; or
- 14 (b) for airport land—the AUV of airport land under section 40C.
- 15 **5 New part 5A**
- 16 *insert*

17 **Part 5A Airport land**

18 **40A Definitions—pt 5A**

19 In this part:

20 *Canberra Airport* means Canberra Airport Pty Ltd

21 (ACN 080 361 548).

22 *development index*—see section 40D.

23 *growth index*—see section 40E.

1 **40B Meaning of *airport land***

2 In this Act:

3 ***airport land*** means—

4 (a) the following parcels of land:

5 (i) section 0, blocks 587, 594, 595, 614, 660, 724, 725, 726
6 and 727 of Majura;

7 (ii) section 17, block 3 of Pialligo;

8 (iii) section 28, block 3 of Pialligo; and

9 (b) any other land comprised in an airport lease granted to
10 Canberra Airport by the Commonwealth under the *Airports*
11 *Act 1996* (Cwlth), section 13 (Commonwealth may grant
12 airport lease).

13 **40C AUV of airport land**

14 (1) The AUV of airport land as at 1 January 2015 is \$23 931 667.

15 (2) The AUV of airport land as at 1 January in a later year is worked out
16 as follows:

 last AUV × (1 + (development index + growth index))

17 *last AUV* means the AUV of airport land as at the previous
18 1 January.

19 **40D Working out the development index**

20 (1) For the purposes of section 40C (2), the *development index* is—

21 (a) until the first calendar year in which the total lettable area of
22 airport land on 1 January of that year is equal to, or more than,
23 377 901m² (the *first year*)—zero; and

24 (b) for the first year or a later year—the amount worked out under
25 subsection (2).

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

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

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

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

10 (b) setting out—

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

13 (ii) if development or demolition was completed in the
14 previous calendar year—the total lettable area as at
15 1 January in the particular calendar year.

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

19 (5) In this section:

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

22 (a) a runway;

23 (b) a taxiway;

24 (c) an apron;

25 (d) a hangar;

26 (e) an aviation rescue firefighter station;

- 1 (f) a facility operated by Airservices Australia under the *Air*
2 *Services Act 1995* (Cwlth);
- 3 (g) a control tower;
- 4 (h) anything else prescribed by regulation.
- 5 **gross floor area**, of a terminal building—
- 6 (a) means the total area of all floors of the terminal building,
7 measured from—
- 8 (i) the external faces of its exterior walls; or
- 9 (ii) the centre line of walls separating the building from
10 another building; but
- 11 (b) does not include an area used only for a rooftop fixed
12 mechanical plant or basement car parking.
- 13 **last total lettable area**, of airport land, on 1 January in a particular
14 calendar year means—
- 15 (a) in the first year—377 901m²; and
- 16 (b) in a later calendar year—the total lettable area on the previous
17 1 January.
- 18 **Method of Measurement** means the *Method of Measurement:*
19 *Commercial – 2008* published by the Property Council of Australia
20 on 1 July 2008.
- 21 *Note* The *Method of Measurement: Commercial – 2008* may be purchased at
22 www.propertyoz.com.au/bookshop.

- 1 **total lettable area**, of airport land, on 1 January in a particular
2 calendar year—
- 3 (a) means the total on that day, in square metres, of—
- 4 (i) the following, in relation to buildings on airport land
5 (excluding the terminal buildings), worked out in
6 accordance with the Method of Measurement:
- 7 (A) the net lettable area;
- 8 (B) the gross lettable area—retail; and
- 9 (ii) the gross floor area of the terminal buildings; but
- 10 (b) does not include an area—
- 11 (i) developed only for an aviation activity; or
- 12 (ii) for which a certificate of compliance under the *Airports*
13 *Act 1996* (Cwlth), section 107 has not been issued.

14 **40E Working out growth index**

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

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

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

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

4 (a) on 1 January in the particular year; and

5 (b) for the whole of the year immediately before the particular
6 year.

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

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

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

15 **40F Expiry—airport land provisions**

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

18 (a) section 14 (3), definition of *AUV*, paragraph (b);

19 (b) part 5A;

20 (c) schedule 1, section 1.1 (3), definition of *AUV*, paragraph (b);

21 (d) dictionary, definitions of *airport land*, *Canberra Airport*,
22 *development index* and *growth index*.

- 1 **6 Levies**
2 **Schedule 1, section 1.1 (3), definition of AUV**
- 3 *substitute*
- 4 *AUV* means—
- 5 (a) the average unimproved value of the parcel; or
- 6 (b) for airport land—the AUV of airport land worked out under
7 section 40C.
- 8 **7 Dictionary, new definitions**
- 9 *insert*
- 10 *airport land*—see section 40B.
- 11 *Canberra Airport*, for part 5A (Airport land)—see section 40A.
- 12 *development index*, for part 5A (Airport land)—see section 40D.
- 13 *growth index*, for part 5A (Airport land)—see section 40E.

Endnotes

1 Presentation speech

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

2 Notification

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

3 Republications of amended laws

For the latest republication of amended laws, see www.legislation.act.gov.au.

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