

Taxation Administration (Rates – Fire and Emergency Services Levy) Determination 2014 (No 1)

Disallowable instrument DI2014-182

made under the

Taxation Administration Act 1999, s 139 (Determination of amounts payable under tax laws)

EXPLANATORY STATEMENT

1. This Disallowable Instrument commences on 1 July 2014.
2. Under section 139 of the *Taxation Administration Act 1999*, the Minister has the authority to determine, in writing by disallowable instrument, amounts and rates applicable for the *Rates Act 2004*.
3. The purpose of this instrument is to revoke DI2013-177, and to determine new amounts for the calculation of the fire and emergency services levy for Schedule 1, sections 1.1 (3) and 3.1 (4) of the *Rates Act 2004*.
4. This levy is charged on all rateable properties in the Territory, with the revenue helping to offset the cost of providing fire and emergency services in the ACT. The levy amount is determined by whether the parcel of land is residential, rural or commercial.
5. Announced as part of the 2014-15 Budget, this instrument implements a valuation-based charge for the levy on commercial properties, with newly introduced progressive marginal rating factors applied to the average of the 2012, 2013 and 2014 unimproved land values (Average Unimproved Value; AUV).
6. This instrument determines that, for the purposes of Schedule 1, sections 1.1 (3) and 3.1 (4) of the *Rates Act 2004*:
 - a) FC or fixed charge is \$130, applying to residential and rural properties (increased from \$120 in 2013-14); and
 - b) P or percentage rate for commercial properties is determined as:
 - 0.6097% (for properties with an AUV of \$1 to \$300,000);
 - 0.7153% (for properties with an AUV of \$300,001 to \$2,000,000);
 - and
 - 0.8209% (for properties with an AUV of \$2,000,001 and over)

7. In previous years, P or percentage rate was determined as AUV multiplied by a single percentage rate (0.5041% in 2013-14), with no marginal rating factors applied.
8. This instrument revokes DI2013-177. However, DI2013-177 continues to apply for the period 1 July 2013 to 30 June 2014 inclusive.

Authorised by the Acting Treasurer
Katy Gallagher MLA