

SUPPLEMENTARY AGENDA 1

Distributed on 6 February 2019



INNER WEST COUNCIL

COUNCIL MEETING

TUESDAY 12 FEBRUARY 2019

6.30pm

Location Ashfield Service Centre, 260 Liverpool Road, Ashfield

**MEETING AGENDA – PRECIS
SUPPLEMENTARY ITEMS**

The following report appear as a late item as information required for the preparation of the report was not available at the time of distribution of the Business Paper.

1 Notices of Motion

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Item No: C0219(2) Item 22
Subject: NOTICE OF MOTION: PROGRESSIVE RATES REFORM
From: Councillor Tom Kiat

MOTION:

THAT Council write to the Minister for Local Government and her ALP and Greens counterparts (with copies to local state MPs), requesting that they publicly commit to:

- a) supporting legislative changes during the next term of government that would allow Councils to develop their own progressive rates system; and**
- b) supporting the immediate release of the IPART report into rating reform which was delivered to the Minister in December 2016.**

Background

Unlike income tax, Councils are not able to structure their property rates taxation system so that the rates burden is borne by those who can afford it most. The same 'ad valorem' rate applies to a property worth \$10 million as applies to that worth half a million.

Just as progressive income tax is supported by the community as a fair way to help the tax burden fall on those who can afford it, a well-designed progressive rating system would similarly be supported by our community that believes in progressive principles of social justice.

The Local Government Act currently does not permit for the implementation of a progressive rates system, using different *ad valorem* amounts for different land values (see section 498). A simple legislative change could empower Councils to have an important discussion in their communities about the fairest way levy rates from property owners. Without this change, increasing or removing the IPART rate peg would inevitably lead to further increases in the cost of living for those who can least afford it.

IPART was asked in December 2015 to conduct a review of the Local Government Rating System. They delivered the report to the Minister in December 2016. The Minister has refused calls to release the report for over two years. It is time we saw the report, and every prospective Minister for Local Government must commit to releasing it immediately.

ATTACHMENTS

Nil.