

Farmland rating

Policy, procedure, protocol	Policy
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Linkage to Our Community Plan	5 Leadership
Objective	5.1 We will have a strong, accountable and representative Government
Strategy	5.1.6 Ensure decisions reflect the long-term interest of the community and support financial and infrastructure sustainability

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1 Purpose

To ensure that all applications for categorisation as farmland for rating purposes are determined using a consistent criteria.

2 Definitions

2.1 Section 515 of the Local Government Act 1993 provides:

1. Land is to be categorised as “farmland” if it is a parcel of rateable land valued as one assessment and its dominant use is for farming (that is, the business or industry of grazing, animal feedlots, dairying, pig-farming, poultry farming, viticulture, orcharding, bee-keeping, horticulture, vegetable growing, the growing of crops of any kind, forestry or aquaculture within the meaning of the Fisheries Management Act 1994, or any combination of those businesses or industries which:
 - a) Has a significant and substantial commercial purpose or character, and
 - b) Is engaged in for the purpose of profit on a continuous or repetitive basis (whether or not a profit is actually made).
2. Land is not to be categorised as farmland if it is rural residential land.
3. The regulations may prescribe circumstances in which land is or is not to be categorised as farmland.

2.2 In order to determine whether “dominant use” of the land in question is for farming, Council will look at the amount of land used for the particular activity carried on and also at the intensity of that use.

2.3 “Significant and substantial commercial purpose or character” can be determined by enquiring whether the particular activity or activities carried on are “too slight” or “too minor” to be reasonably regarded as having the requisite degree of commercial purpose or character.

2.4 The question of whether or not a profit is actually made is immaterial to the question of whether the farming is “engaged in for the purpose of profit on a continuous or repetitive basis”, it is still required to enquire, more or less objectively as to whether there is evidence to support a conclusion that the activities will be economically viable in the future. In other words, the farming carried on must be “on a sufficient scale to have some element of independent viability”.

2.5 Commercial is described under the dictionary as “interchange of goods or commodities especially on a large scale” and Business as “the purchase and sale of goods and services in an attempt to make a profit”.

3 Background/legislative requirements

Local Government Act 1993

Local Government (General) Regulation 2005 NSW

4 Policy, protocol or procedure statement

Council will consider applications from ratepayers for their land to be categorised as farmland for rating purposes in a fair and consistent manner and in accordance with the provisions of the Local Government Act 1993 NSW and the procedures outlined below.

5 Procedures

- 5.1 Council shall make available to ratepayers a “Rating Category Application – Farmland” form which shall make provision for basic general information regarding the activities carried out on the property.
- 5.2 A completed “Rating Category Application – Farmland” form (see Attachment) must be lodged with Council by the property owner. The General Manager has delegated authority to assess the application in accordance with the set of criteria for farmland rating eligibility. These criteria are to be utilised when assessing eligibility for farmland rating. These criteria will be reviewed when required according to changes in legislation and industry standards.
- 5.3 Where a parcel of rateable land valued as one assessment is used in conjunction with other parcels of rateable land valued as one assessment, then the total of all the parcels are to be considered as one holding for the purposes of this policy.
- 5.4 Council may ask the applicant to supply further information where the details in the original application do not satisfactorily discharge the onus of proof that the land is farmland.
- 5.5 All information contained within a “Rating Category Application – Farmland” form shall be treated as “strictly confidential”.
- 5.6 All assessments of applications are to be completed within 40 days of receipt of the application as per Section 525 (6) of the Local Government Act. Council shall advise the owner/approved agent in writing of the outcome. In respect of unsuccessful applications, reasons for refusal shall be given.
- 5.7 In the event of a property owner/approved agent being dissatisfied with the decision, the applicant may request a review of such decision by submitting their request in writing to the General Manager and the reasons they believe they should be rated as farmland. Investigations will be conducted and the ratepayer kept up to date via correspondence with progress of review.
- 5.8 If the owner/applicant remains dissatisfied with the outcome of the second review an appeal against declaration of category under Section 526 (1) of the Local Government Act must be lodged with the Land and Environment Court within 30 days after the declaration is made by Council.
- 5.9 Where a property is sold, transferred or subdivided the owner(s) will be required to complete and submit a “Rating Category Application – Farmland” form for determination.
- 5.10 A revolving review of properties rated as farmland with a review of 25% of properties to be carried out each year so that each property within the Council area is reviewed at least every four (4) years.
- 5.11 This review will be conducted on a locality basis and owners/approved agent requested to complete in writing a “Rating Category Application - Farmland” form.
- 5.12 This review is to be completed at least two (2) months prior to the end of the rating year, so the eligibility may be determined and any adjustments made prior to the issue of the rates notice.
- 5.13 Properties included in the rolling review are to be assessed under the same procedures and criteria as new applications.

- 5.14 For those owners/approved agents who do not complete the application for review; the property under review will have the rating category changed from farmland to residential/business (including sub-categories) effective the next rating year. Owners/approved agents will be notified in writing of this change.

6 Attachments

Rating Category Application – Farmland