Name	FIN02 Rating Policy
Policy Type	Council
Responsible Officer	Director of Corporate Services
Approval Date	17/08/2026
Review Date	17/08/2030

1. Purpose

The purpose of this policy is to set out Council's approach to rating in the Litchfield Municipality.

2. Scope

This policy applies to all properties within the Municipality.

3. Definitions

For the purposes of this Policy, the following definitions apply:

The Act	*Northern Territory Local Government Act 2019*
NT Planning Scheme	*Northern Territory Planning Scheme*
Property	Defined as rates assessment in Council's records
Council	Council means Litchfield Council constituted under the *Local Government Act 2019 (NT).*

4. Policy Statement

4.1. Principles

Rates are a system of taxation and are not reflective of the services, infrastructure or facilities used by any property owner or resident.

Council's Rating policy applies the principles of:

- Administrative simplicity. This principle refers to the costs involved in applying and collecting the tax and how difficult it is to avoid.
- Policy consistency. The principle that rates are internally consistent, and based on transparent, predictable rules that are understandable and acceptable to rate payers.
- Equality for rating is applied to the categories levied as a fixed rate, assuming that these ratepayers have equal capacity to pay and access to Council services, however the principle of equity applies to all other categories.

4.2. Basis for Rates

4.2.1 Council applies rates on the basis of classes of allotments (including zoning), in some cases combined with the area within the Municipality in which the allotment is situated.

4.2.2 Pursuant to the Act, Council adopts the Unimproved Capital Value method as the basis for determining the assessed value of allotments within the Municipality. The Unimproved Capital Value of land is set by the NT Valuer General.

4.3 Rating Categories

For the purpose of rating, Council applies the following rating categories that differentiate properties by planning zones as set under the *NT Planning Scheme*.

RATING CATEGORY	PLANNING ZONE	CODE	PROPERTY PARTICULARS
RURAL RESIDENTIAL	Rural Residential	RR	
	Rural Living	RL	
	Rural	R	
	Water Management	WM	
	Conservation	CN	
	Specific Use – SL14, SL18		
	Future Development	FD	Excluding area highlighted within suburb of Wickham as referred to in "Gas Plant - Wickham" category below
URBAN RESIDENTIAL/TOWN URBAN RESIDENTIAL	Single Dwelling Residential	SD	
	Low Density Residential	LR	
	Multiple Dwelling Residential	MD	
	Low-Medium Density Residential	LMR	
	Medium Density Residential	MR	
	SpecificUse- SL1*20, SL11	SL	
HORTICULTURE/AGRICULTURE	Horticulture	H	
	Agriculture	A	
COMMERCIAL/INDUSTRIAL	Commercial	C	
	Service Commercial	SC	

RATING CATEGORY	PLANNING ZONE	CODE	PROPERTY PARTICULARS
	Tourist Commercial	TC	
	Light Industry	LI	
	General Industry	GI	
	Development	DV	Excluding area highlighted within suburb of Wickham as referred to in “Gas Plant - Wickham” category below
	Utilities	U	
	Railway	RW	
	Community Purpose	CP	
	Organised Recreation	OR	
	Public Open Space	PS	
	Caravan Parks	CV	
	Specific Use – SL1, SL3, SL4, SL5, SL6, SL7, SL8, SL9, SL10, SL12, SL13, SL15, SL17, SL23	SL	
GAS PLANT - WICKHAM	Future Development, Development	FD, DV	Within the area highlighted in the map included in councils Declaration of Rates and Charges
MINING TENEMENTS	Conditionally rateable land occupied under a mining tenement		
PASTORAL LEASES	Conditionally rateable land comprising a pastoral lease as defined in the *Pastoral Land Act*		

4.3.1 The *NT Planning Scheme* zones in the groups of Other Zones, Recreation Zones and Infrastructure Zones have been associated to rating categories based on the allowed uses on the property in line with the *NT Planning Scheme*.

4.4 Rates Calculation:

4.4.1 In accordance with the Act rates are based on differential valuation-based charges calculated as a proportion of the assessed value of each allotment for the following rating categories:

- Commercial/Industrial
- Gas Plant - WickhamMining Tenement
- Pastoral Leases

4.4.2 The Valuation-based charge may be subject to a specified minimum amount.

4.4.3 In accordance with the Act rates are based on a fixed rate for the following rating categories:
- Rural Residential
- Urban Residential/Town Urban Residential
- Horticulture/Agriculture.

4.5 Special Rates

4.5.1 Council levies a special rate in accordance with the Act and in line with Council's INF05 Sealing of Roads policy to defray the cost of sealing a road, or part thereof.

4.5.2 The special rate is a fixed charge to a property and may vary based on the planning zone of the property.

4.5.3 Where a Special Rate is applied, it will be charged to properties bordering the relevant road or road section that is being sealed.

4.5.4 Properties bordering several roads will only be charged once and not for each road to ensure equal application of the Special Rate.

4.5.5 Council will consider longer payment timeframes for Special Rates considering the additional financial liability on ratepayers.

4.6 Service Charges

4.6.1 Council can declare charges for providing services for the benefit of the land or the occupiers of land.

4.6.2 Council charges properties for the cost of waste disposal services, including the management and operation of waste transfer stations.

4.6.3 Council's Waste Management charge applies to the following rating categories:
- Rural Residential
- Urban Residential/Town Urban Residential
- Horticulture/Agriculture

4.6.4 Council will consider the application of the Waste Management Charge to other properties, on request orwhere residential use can be identified.

4.6.5 Properties located within Council-designated kerbside waste collection service areas are subject to a Waste Collection Charge in lieu of the Waste Management Charge. This charge recovers the costs of delivering kerbside waste collection services, including the operation and management of waste transfer stations.

5. Associated Documents

Litchfield Council Municipal Plan

Litchfield Council Financial Management Strategy & Long Term Financial PlanLitchfield Council Declaration of Rates and Charges

6. References and Legislation

Northern Territory Local Government Act 2019, specifically Chapter 11 Rates and charges.

Northern Territory Local Government (General) Regulations 2021

Australian Accounting Standards

Ministerial Guidelines

Local Government General Instructions

7. Review History

Date Reviewed	Description of changes (Inc Decision No. if applicable)
13/12/2017	New Policy, rescinding LC06
February 2020	Review policy project, resulting in new rating categories a realignment from zonings to categories, addition of Special Rate, Service Charge, Principles. Decision Number 1920/146
16/09/2020	Review application of Special Rate for the sealing of roads for properties that have boundary to more than one road. Decision Number 2021/049.
09/08/2021	Minor administrational changes made, including formatting and new regulation titles. Policy review date to remain the same.
21/06/2022	Minor administrational changes made, including formatting and new regulation titles. Policy review date to remain the same.
4/08/2026	Minor formatting. Inclusion of two new planning zones. Inclusion of new Waste Collection Charge for suburb of Asche. Clarification of service charges. Review of definitions.