

Rating Structure Option 1

Maintain the Rural City of Murray Bridge's current rating structure

Maintain the current rating structure

The Rural City of Murray Bridge's current rating structure calculates council rates using two main methods: a **Differential Rate in the Dollar Percentage** and a **Minimum Rate**. There's also a separate charge called the Regional Landscape Levy, which is collected for the SA Government and isn't part of this review.

Council rates are based on the value of a property. This value is determined by the Valuer- General and is multiplied by a rate in the dollar, which the Council sets to ensure it can fund services for the community.

The **Differential** rate means that properties are charged at different rates depending on how they are used. For example, residential properties are charged a base rate, while commercial properties are charged 160% of the residential rate. Industrial properties are charged 140%, and farming (primary production) properties are charged 90% of the residential rate. Vacant land is charged 130% of the residential rate, and other land uses are charged the same as residential properties.

This structure helps ensure that rates take into account how properties are used and their contribution to the community.

For the 2024/25 financial year, the rates in the dollar for each land use are as follows:

Rate Class	Rate In Dollar 2024-25	Weighting compared to Residential Rate In Dollar
Residential	0.0052460	100%
Primary Production	0.0047214	90%
Commercial	0.0083936	160%
Industrial	0.0073445	140%
Vacant	0.0068198	130%
Other	0.0052460	100%

The **Minimum** rate ensures that lower-valued properties contribute a set minimum amount. For 2024/25, this minimum rate is \$1,152. If a property's valuation multiplied by the applicable rate in the dollar results in an amount less than \$1,152, the minimum rate applies instead.



Maintain the current rating structure with an adjustment of Differential Rate in the Dollar Percentage

A potential option to address the changing valuations and assessment distribution across the Rural City of Murray Bridge is to maintain the current structure of utilising the differential rate and a minimum rate structure, but with an adjustment of the differentials.

Council rates are based on the value of a property. This value is determined by the Valuer-General and is multiplied by a rate in the dollar, which the Council sets to ensure it can fund services for the community.

The Differential Rate in the Dollar Percentage in **Option 2** would maintain that properties are charged at different rates depending on how they are used. Residential properties would be charged at the base rate, whilst the second option proposes that commercial properties are charged 140% of the residential rate. Industrial properties would be charged at 120%, and farming (primary production) properties are charged 80% of the residential rate. Vacant land would be charged at 150% of the residential rate, and other land uses are charged the same as residential properties.

This structure adjustment would see the residential base Rate in the dollar changed from the current structure 0.0052460 to 0.005466.

The subsequent comparative Rate in the Dollar for each different land use had it been in place for 2024/25 would be as follows:

Rate Class	Option 2 - Rate In Dollar 2024-25	Weighting compared to Residential Rate In Dollar
Residential	0.0054663	100%
Primary Production	0.0043731	80%
Commercial	0.0076529	140%
Industrial	0.0065596	120%
Vacant	0.0081995	150%
Other	0.0054663	100%

Option 2 would maintain the **minimum rate** of the current structure at \$1,152 to ensure that lower-valued properties contribute a set minimum amount. The same principle would apply that if a property's valuation multiplied by the applicable rate in the dollar results in an amount less than \$1,152, the minimum rate applies instead.

Rating Structure Option 2

Maintain the current Rating structure with an Adjustment of Differentials



New structure, using Differential Rate in the Dollar Percentage and a Fixed Charge of \$750 instead of the Minimum Charge

A completely different potential option to address the changing valuations and assessment distribution across the Rural City of Murray Bridge is to change from the current structure and instead utilise the differential rate and a Fixed Charge structure.

Council rates would still be based on the value of a property. This value is determined by the Valuer-General and is multiplied by a rate in the dollar, which the Council would set to ensure it can fund services for the community.

Option 3 would remove the minimum rate but introduce a Fixed Charge of \$750. This Fixed charge would apply to every assessment and thus less rates are required from the Differential Rates, thus reducing the Rate in the Dollar.

The differential rate in the third option would maintain the principle that properties are charged at different rates depending on how they are used. Residential properties would be charged at the base rate, whilst the second option proposes that commercial properties are charged 140% of the residential rate. Industrial properties would be charged at 120%, and farming (primary production) properties are charged 90% of the residential rate. Vacant land would be charged at 150% of the residential rate, and other land uses are charged the same as residential properties.

This structure adjustment would see the residential base Rate in the dollar changed from the current structure 0.0052460 to 0.003979. The subsequent comparative Rate in the Dollar for each different land use had it been in place for 2024/25 would be as follows:

Rate Class	Option 3 - Rate In Dollar 2024-25	Weighting compared to Residential Rate In Dollar
Residential	0.0039792	100%
Primary Production	0.0035813	90%
Commercial	0.0055709	140%
Industrial	0.0047750	120%
Vacant	0.0059688	150%
Other	0.0039792	100%

Option 3 would remove the minimum charge mechanism, as the Fixed Charge ensures that lower-valued properties contribute a set minimum amount.

Rating Structure Option 3

New Structure, using Differential Rates and a Fixed Charge of \$750 instead of the Minimum Charge



New Structure, using Differential Rate in the Dollar Percentage and a Fixed Charge of \$500 instead of the Minimum Charge

A completely different potential option to address the changing valuations and assessment distribution across the Rural City of Murray Bridge is to change from the current structure and instead utilise the differential rate and a Fixed Charge structure.

Council rates would still be based on the value of a property. This value is determined by the Valuer-General and is multiplied by a rate in the dollar, which the Council would set to ensure it can fund services for the community.

Option 4 would remove the minimum rate but introduce a Fixed Charge of \$500. This Fixed charge would apply to every assessment and thus less rates are required from the Differential Rates, thus reducing the Rate in the Dollar.

The differential rate in the fourth option would maintain the principle that properties are charged at different rates depending on how they are used. Residential properties would be charged at the base rate, whilst the second option proposes that commercial properties are charged 140% of the residential rate. Industrial properties would be charged at 120%, and farming (primary production) properties are charged 90% of the residential rate. Vacant land would be charged at 150% of the residential rate, and other land uses are charged the same as residential properties.

This structure adjustment would see the residential base Rate in the dollar changed from the current structure's 0.0052460 to 0.004492. The subsequent comparative Rate in the Dollar for each different land use had it been in place for 2024/25 would be as follows:

Rate Class	Option 4 - Rate In Dollar 2024-25	Weighting compared to Residential Rate In Dollar
Residential	0.0044924	100%
Primary Production	0.0040432	90%
Commercial	0.0062894	140%
Industrial	0.0053909	120%
Vacant	0.0067386	150%
Other	0.0044924	100%

Option 4 would remove the minimum charge mechanism, as the Fixed Charge ensures that ensures that lower-valued properties contribute a set minimum amount.

Rating Structure Option 4

New Structure, using Differential Rates and a Fixed Charge of \$500 instead of the Minimum Charge

