

# Farm Land Rate Guidelines

## Farm Land Rate Overview

The City of Whittlesea offers a farm land rate on property that is actively farmed by a commercial primary production business. Currently, the farm land rate is 40% lower than the general rate, however, Council reserves the right to review Farm Land rated properties, including the applied rate, at any time.

## Who is Eligible?

The City of Whittlesea offers a farm land rate to applicants who can demonstrate that the rural property they own is currently being actively farmed by a commercial primary production business. This may be by the applicant or a lessee. The application form must be completed based on the information of the commercial primary production business i.e., if you own and farm the property you will provide your business's information; if you lease the property, you will provide the lessee's business information, to demonstrate eligibility as per below.

Farming land is any land, which:

- is used primarily for a farming or agricultural business; and
- conforms to the definition of 'farm land' as specified within the Valuation of Land Act 1960; and
- conforms to the City of Whittlesea guidelines for the classification of property as 'farm land'; and
- the ratepayer has Primary Producer status with the Australian Taxation Office and in the case of agistment, the occupier also has Primary Producer status with the Australian Tax Office.

The following is the definition of farm land as per the Valuation of Land Act 1960.

*"Farm Land" means any rateable land –*

- a. that is not less than 2 hectares in area; **AND***
- b. that is used **primarily** for grazing (including agistment), dairying, pig-farming, poultry-farming, fish-farming, tree-farming, bee-keeping, viticulture, horticulture, fruit-growing or the growing of crops of any kind or for any combination of those activities; **AND***
- c. that is used by a **business** –*
  - i. that has a significant and substantial commercial purpose or character; **AND***
  - i. that seeks to make a profit on a continuous or repetitive basis from its activities on the land; **AND***
  - i. that is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way it is operating.*

The following guidelines have been used in interpreting the definition of "Farm Land":

### 1. General Consideration

#### 1.1 "Primarily"

In determining whether a property is suitable for farming rating classification, the primary use or activity on the property must be identified. The primary use of the land must be for agricultural purposes and be intensive enough and of sufficient scale to outweigh any competing residential use of the property.

#### Council Offices

25 Ferres Boulevard, South Morang VIC 3752

**Mail to:** Locked Bag 1, Bundoora MDC VIC 3083

**Phone:** 9217 2170

**National Relay Service:** 133 677 (ask for 9217 2170)



Free telephone  
interpreter service  
**131 450**

All evidence relating to the land use will be assessed, including the nature and intensity of each use, the physical areas over which they extend, and the time, labour and expenses involved in conducting them. You are encouraged to attach all supporting documentation to support this.

Details of future plans to further develop your business may also be helpful as a demonstration of your commitment to the ongoing viability of your farming business and use of the land for primary production purposes (e.g., Farm Management Plan).

## **1.2 “Business”**

The activity being carried out on a property must be a business. Hobby farms and rural retreats are not considered to be true farming businesses. A business must be conducted on the land and that business must be the sole or primary use of the land. The essential characteristics of a primary production business are:

- the farming activity must be on a sufficient scale to have some element of independent viability, (not supported by alternate income sources). If the activities will only ever produce small returns then they would be considered to be of a slight or minor character (hobby farm). Seasonal fluctuations should not affect this outcome;
- activities must be of a commercial nature and seek to make a profit on a continuous or repetitive basis. This would be evident by the presence of an Australian Business Number, Business Name, levels of activity and income and expenses substantiated by appropriate bookkeeping practices;
- losses are acceptable in the short term and on other occasions (within reason) but the intention and possibility of making profits must be apparent.
- a systematic approach to the activity with regard to the development and maintenance of the farming business.

## **1.3 “Used”**

Evidence of adequate maintenance of the property is important, particularly where there is competing use of the land, such as particular use for a residence. The type of maintenance should be appropriate to the business being conducted and to the size of the property and may be minimal on vacant land, which is used entirely for business purposes.

## **2. Specific Business**

### **2.1 *Grazing (including agistment)***

Grazing usually involves the buying and selling of livestock. The initial building up of a herd or flock for future breeding purposes may be sufficient to satisfy the definition, provided it is clearly demonstrated the ultimate objective is commercial production.

The Valuation of Land Act 1960 provides for agistment, where an occupier takes stock belonging to someone else and charges a fee in return for care of the stock. The occupier must be conducting a grazing and/or agistment business on the property.

This does not include the grazing and agistment of recreational or racehorses as the horses in this context are not being used as farm animals. The breeding of horses for sale may be an acceptable activity but it is often found that supplementary feeding outweighs nourishment derived from grazing. The standing of a stallion at stud is not the business of grazing.

The applicant must demonstrate the use of sound agricultural practices and the existence of an activity that has been undertaken on a continuous and repetitive basis.

### **2.2 *Dairying***

Dairy farming is the business of long-term milk production, which is proposed (on-site or at a processing plant) for the sale of a dairy product. This business has similar characteristics to grazing (2.1).

### **2.3 *Pig Farming***

Pig farming is the raising and breeding of domestic pigs. Pigs are raised mainly as food (e.g., pork, bacon, gammon) and sometimes for their skin. Piggeries must satisfy mandatory health requirements and substantial investment and maintenance are necessary.

### **2.4 *Poultry Farming***

Poultry farming is the raising of domesticated birds such as chickens, turkeys, ducks and geese, for the purpose of farming meat or eggs for food. This is an intensive activity able to be carried out profitably on a 2-hectare property. To display a purpose of profit an occupier must spend considerable time and effort on the activity.

### **2.5 *Fish Farming***

Fish farming involves raising fish commercially in tanks or enclosures, usually for food. It can also include yabbies or tropical fish for pet stores. This business is capable of viability on a small property but could involve the development of ponds or outlay for tanks.

### **2.6 *Tree Farming, Viticulture and Fruit Growing***

These activities cannot become profitable for several years until the trees or vines mature sufficiently for harvesting or to bear fruit.

It should be evident that the land is being properly prepared for these purposes before an application is submitted. After the application, it should also be evident that the plantings are being maintained and developed for commercial production.

### **2.7 *Bee-Keeping***

This is a use that can be carried out on land which is uncleared, although the characteristics of a business must be satisfied.

### **2.8 *Horticulture or the growing of crops of any kind***

Horticulture is the business of plant cultivation. It includes the cultivation of fruits, vegetables, nuts, seeds, herbs, sprouts, mushrooms, algae, flowers, seaweeds and non-food crops such as grass and ornamental trees and plants.

## Supporting Evidence

To demonstrate eligibility and support your application, supporting evidence will be required. This includes, but is not limited to, the following:

- written business plan for your primary production business covering planned activities
- a cash flow forecast showing projected earnings and expenditure of the primary production business for the current financial year and the next financial year
- a profit and loss statement or tax return from the Australian Tax Office for the past 3-5 financial years showing the primary production business earnings and expenditure
- books of accounts/book keeping records (copies of receipts will not be accepted)
- copy of the registration of the primary production business on the Australian Business Register
- copy of the GST registration of the primary production business if registered for GST
- copy of primary producer status for the primary production business and property from the Australian Tax Office
- copy of primary producer status for the primary production business and property from the State Revenue Office.

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## Farm Rate Application Process

### New Applicants

The assessment process has recently been streamlined, with all new applications to be submitted via an online form during the designated application period from 1 February to 30 April each year.

If an applicant is assessed as eligible, the farm land rate will be applied from 1 July of the next financial year (i.e. if the applicant is approved in the 1 February to 30 April 2024 application period, the farm land rate will be applied to their rates notice from 1 July 2024 (the 2024-2025 Financial Year rates notice)). The applicant will then be required to re-apply in line with the set four-year re-assessment cycle as per below for existing recipients.

If the applicant is assessed as ineligible, the general rate will continue to apply. The applicant is only able to apply for the farm land rate once per application period and therefore must wait for the next application period to re-apply for the farm land rate.

### Existing Recipients of Farm Land Rate

Existing recipients of the farm land rate will be required to re-apply for the farm land rate via an online form on a set four year cycle commencing 1 February 2024, 1 February 2028, 1 February 2032 etc. regardless of when the applicant was first approved for the farm land rate (i.e. if an applicant was approved for the farm land rate in April 2027, they will still be required to re-apply in February 2028).

If the existing recipient is assessed as eligible, the farm land rate will continue to apply until the next re-assessment period.

If the existing recipient is assessed as ineligible, the farm land rate will be removed and the general rate applied from 1 July of that year (i.e. if the existing recipient is assessed as ineligible in the 1 February to 30 April 2024 application period, the farm land rate will be removed and the general rate applied to their rates notice from 1 July 2024 (the 2024-2025 Financial Year rates notice)). A new application for the farm land rate may be submitted in the next application period.

### Responsibility

The following are the responsibilities of the owner and/or applicant:

- satisfy Council that a primary production business is being conducted; or of a genuine intention to establish a primary production business;
- make the property available for an inspection by Council to support the application at a time that suits both parties prior to the conclusion of the application period;
- complete the application form in full with the required supporting documents attached;
  - if a property has been recently purchased/sold, the new property owner must apply for the farm land rate on that property in the next application period. Once a property is sold, it will be removed from farm land rate.

Failure by an applicant to fulfill any of the requirements above may result in an application being declined.

### Outcome

If you disagree with the evaluation you may apply to the Victorian Civil and Administrative Tribunal, pursuant to section 183 of the Local Government Act 1989 for a review of the decision. An application for review must be made within 30 days of receiving your letter of refusal from Council.

### How do I apply

All applications for the farm land rate will be online through SmartyGrants. You will require an email address to apply for the grants. This email address will be the main form of communication for any details regarding your application and the outcome of assessment. You can access the SmartyGrants online form from our website at [whittlesea.vic.gov.au/FarmRates](https://www.whittlesea.vic.gov.au/FarmRates)

### Navigating (moving through) the application form

On every screen (page of the form) you will find a Form Navigation contents box, which links directly to every page of the application. Click the link to jump directly to the page you want. You can also click 'next page' or 'previous page' on the top or bottom of each page to move forward or backward through the application.

### Saving your draft application

If you wish to leave a partially completed application, press 'save and close' and log out. When you log back in and click on the 'My Submissions' link at the top of the screen, you will find a list of any applications you have started or submitted. You can reopen your draft application and start where you left off. You can also download any application, whether draft or completed, as a PDF. Click on the 'Download PDF' button located at the bottom of the last page of the application form.

### Submitting your application

You will find a Review and Submit button at the bottom of the Navigation Panel. You need to review your application before you can submit it.

Once you have reviewed your application you can submit it by clicking on 'Submit' at the top or bottom of the screen or on the navigation panel. You will not be able to submit your application until all the compulsory questions are completed and there are no validation errors.

**Once you have submitted your application, no further editing or uploading of support materials is possible.**

When you submit your application, you will receive a confirmation email with a copy of your submitted application attached. This will be sent to the email you used to register.

**If you do not receive a confirmation of submission email, then you should presume that your submission has NOT been submitted.**

***Hint: also check the email hasn't landed in your spam or junk email folder.***

### Attachments and supporting documentation

You may need to upload/submit attachments to support your application. This is very simple but requires you to have the documents saved on your computer, or on a storage device.

You need to allow enough time for each file to upload before trying to attach another file. Files can be up to 25MB each; however, we do recommend trying to keep files to a maximum of 5MB – the larger the file, the longer the upload time.

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## Privacy Statement

The personal information on this form is being collected by Council to enable the assessment of your application. Council will use the information for this purpose only. You may apply to Council to gain access to or for the amendment of personal information held by Council. Information on Council's Privacy Policies can be obtained from the Privacy Officer during business hours on ☎ **03 9217 2170** or at [📌 \*\*whittlesea.vic.gov.au/about-us/local-laws-and-legislation/privacy-statement-copyright-and-disclaimer/\*\*](https://www.whittlesea.vic.gov.au/about-us/local-laws-and-legislation/privacy-statement-copyright-and-disclaimer/)