



APPLICATION FOR FARM RATE CLASSIFICATION

The below outlines the rules and application process for Farm Land rating:

Responsibility

- It is the owner and/or applicant's responsibility to make a Farm Land rating application to Council
- It is the owner and/or applicant's responsibility to ensure this application is received by Council
- It is the owner and/or applicant's responsibility to convince Council that a primary production business is being conducted or of the owner and/or applicant's intentions regarding the establishment of a primary production business
- When a property receiving Farm Land rate changes ownership, the Farm Land rate is cancelled and an application for Farm Land rate must be made by the new owners
- Council reserves the right to review Farm Land rated properties at any time

Applications

- New applications must be lodged by 31 October each year to be assessed for the current year's rates notice. Applications received after this time will be assessed for the next year's rates notice i.e. an application received by 31 October 2020 will be assessed for the FY20 rates notice and an application received after 31 October 2020 will be assessed for the FY21 rates notice.
- Applicants reapplying for farm land rate must lodge their application by the due date provided in the 'Request for Reapplication' letter which will accompany this document
- Applications must be completed in full and meet the guidelines contained within this document. Failure to complete and lodge the form with Council within the timeframe given will result in the land being rated at the General Rate for the relevant rates notice

Assessment

- Council will determine each application on the basis of the details provided in the application and may arrange an inspection to verify the information provided
- Applications can take up to three months to assess due to the nature of the investigation
- Once your application has been assessed, we will notify you in writing of Council's decision

Outcome

- If the application is successful in obtaining the Farm Land Rate prior to 31 October each year, for rating purposes it will be applied to the current financial year's rates or backdated to the commencement of commercial agricultural operations (if the business hasn't traded the full financial year) and a revised notice will be forwarded to you reflecting the Farm Land Rate
- Please note, if you have received your rates notice, payment of rates should be made in accordance with the Rate Notice issued until you receive the revised notice
- If your application is unsuccessful in obtaining a Farm Land rate and circumstances in respect to your property change, you may reapply to Council for your property to be considered for classification as Farm Land for the following financial rating year
- If you are unhappy 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

Guidelines for the Classification of Rateable Property as Farm Land

Farming land is any land, which:

- Is used primarily for a farming or agricultural business; and
- Conforming to the definition of 'farm land' as specified within the Valuation Land Act 1960; and
- Conforming to 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 Section 2 (1) of the Valuation 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***
 - ii. *that seeks to make a profit on a continuous or repetitive basis from its activities on the land; **AND***
 - iii. *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 provision of the abovementioned definition:

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.

All the 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 any 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).

There are a number of 'rural' uses that, over time, have been identified by the Victorian Civil and Administrative Tribunal as not 'being eligible' for farm land rating. 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.

1.2 “Business”

The activity being carried out on a property must be a business, not a hobby or recreational activity. The essential characteristics of a primary production business are:

- The farming activity/activities carried out must be on a sufficient scale as to have some element of independent viability, therefore not supported by alternate income sources. The purpose of the farming activity must be ongoing and the result being of significant commercial volume.
- Activities carried out on the property must be carried on as a commercial venture which seeks 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.
- Systematic approach to the activity with regard to development and maintenance
- The farming activity/activities carried on must have a requisite degree of commercial purpose or character, that is, 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.

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)

The carrying on of the business of 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 Act 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 that use of sound agricultural practice and the existence of an activity which 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 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 much satisfy Health Act requirements and substantial investment and maintenance is 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 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 which can be carried out on land which is uncleared, although the characteristics of a business must be satisfied.

2.8 Horticulture of 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.

Evidence of significant expenditure and sound agriculture development of the land is required for initial approval, with evidence of commercial production after establishment.

COMPLETION OF FORMS

- Please complete all the questions on 'Form A'
- 'Form B' is to be completed, dated and signed by both the owner and/or applicant(s) and the owner and/or applicant's registered accountant if applicable.
- If you do not have a registered accountant, please complete 'Form A' and 'Form C'.
- Return completed, dated and signed forms via email to agribusiness@whittlesea.vic.gov.au or by post to:

Agribusiness Officer
City of Whittlesea
Locked Bag 1,
Bundoora MDC VIC 3083

Privacy Statement – The personal information on this form is being collected by Council to enable assessment of your application. Council will use the information for this primary 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 2223 or at <https://www.whittlesea.vic.gov.au/about-us/local-laws-and-legislation/privacy-statement-copyright-and-disclaimer/>

Farm Rate Application

Form A (to be completed by ALL applicants. Please use BLOCK LETTERS)

I wish to apply for the property in this application to be considered by Council for classification as farm land for rating. The application will be reviewed using the definition of 'Farm Land' in the Valuation of Land Act 1960, Section 2 and the guidelines as set out in this document.

Owner details

Full name:

Postal Address:

Contact Numbers: Home: Mobile: Work:

Are you the: Owner Occupier

Note: If you are not the occupier, supporting documentation will be required e.g. lease.

Occupier details *if different from the owner

Full name:

Postal Address:

Contact Numbers: Home: Mobile: Work:

Property Details

List property details that you wish to apply for the farm land classification.

Address:Postcode:

Assessment Number: Title Details:

Freehold Leasehold Other: (e.g. licence)

Land Area	Land Size (hectares)	Provide details on buildings and land use e.g. building type, size, construction, age, condition, occupancy and biodiversity, water stream protection
Dwelling, curtilage and other domestic outbuildings		
Other buildings on site		
Unused land / land used for purposes other than farming e.g. sale of goods/services, warehouse, factory, bush		
Land used for farming activities		Farming activities to be provided as outlined below
Total Area of Land		

Please provide an aerial photo or sketch below highlighting the above uses on the subject property:

If the subject land is used in conjunction with other land for the purpose of carrying on the farming business or industry, provide property description of other lands, details of how other lands are used and the frequency of use:

Address:

Assessment Number (if within City of Whittlesea):

Total Land Size:

Percentage of land utilised for farming business:

Describe how land is used in conjunction with subject property and/or your farming business:

.....

Frequency of use:

If leased: Rental \$.....per Date Commenced: Period

Occupier Business Details – To be completed by or on behalf of the occupier

What is the primary production business or industry for which you are making this application e.g. grazing cattle, dairy, vegetable growing, fruit growing?.....

	Yes	No
Is the area used for your primary production activity greater than two hectares? Note: Must not include land devoted to domestic use or land which is uncleared		
Do you carry on the primary production activity as a business?		
Do you keep business records for the primary production activity?		
Do you include this primary production business in your tax return?		
Are you classified as a Primary Producer by the Australian Tax Office? If yes, you will need to provide a copy of your Income Tax Assessment to confirm primary producer status		
Is this primary production business your primary source of income?		
Is the subject property the primary contributor to income for your primary production business?		
Is the farming enterprise being run on the property registered for GST?		
Primary producer averaging provisions allowed		

What is your Property Identification Code (only applies to properties with livestock)?.....

What is your Australian Business Number (ABN)?

What is your business and/or trading name?

How long has the subject property been farmed by you? Years Months

How long as the subject property been leased by the occupier? Years Months

Is the subject property subject to Single Farm Enterprise? Yes No

If yes list other relevant assessments

Agricultural Equipment

List agricultural equipment or machinery kept for use on the property:

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.....

.....

.....

Improvements

Fencing (Describe types, condition and number of paddocks and yards)

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.....

Are the boundaries securely fenced? Yes No

Description of Water Supply (e.g. bores, dams, drinking troughs, mains, waterholes)

.....
.....

Water Rights / Licences? Yes No

If yes, provide details of the water rights/licences (e.g. allocation, cost of licence)

.....

Pastures (describe types, areas, new/established)

.....
.....

Soil Types and Break Up (if known)

.....
.....

Structural Improvements (describe types e.g. stockyards and crush etc.)

.....
.....

Livestock and Animal Production

Please complete the below for agisted and owned livestock. If both are present, please specify which is agisted and which is owned.

Numbers of stock on the property at date of application:

Ewes	Wethers	Lambs	Rams	Cows	Heifers	Steers
Bullocks	Calves	Bulls	Hives	Layers	Roosters	Chickens
Broilers	Alpacas	Emus	Does	Bucks	Kids	Sows
Boars	Hoggets	Piglets	Other (please specify)			

Number of each type of stock on property as at 1st July for last three years

Year	(Example) Cows					
	400					
	450					
	500					

In a normal year, are the natural pastures or crops sufficient to sustain the number of livestock presently grazing on the subject property without any supplementary feeding? Yes No

If no, please indicate the extend of supplementary feeding of livestock with grain, hay concentrates etc.

- On a regular basis – essential to maintain livestock in a suitable condition
- Only in winter and/or summer when pastures are not sufficient for grazing
- Other (please specify)

Is the property used as a stud? Yes No

If yes, what proportion of the property is used as a stud? %

If stock are agisted on the property, please provide agistment fees and agistment end date below:

Current financial year: \$.....

Last financial year: \$.....

Agistment Agreement End Date:.....

Other Production

Area under crop at date of application (ha):

Tree-Farming	Viticulture	Horticulture	Fruit-Growing	Hay	Other

Area of each type of crop as at 1st July for last three years:

Year	(Example) Apples					
	10 ha					
	15 ha					
	12 ha					

Production Statistics

Number of stock, kilos wool or hair, kilos honey, commercial eggs, fertile eggs, tonnes timber, trees, tonnes grapes/fruit/vegetables, bales of hay (large/small) sold during last three years and forecast to be sold in the next year:

Year	Grapes	Vealers
2016	6 tonnes	180 head
2017	5 tonnes	200 head
2018	3 tonnes	80 head
2019	7 tonnes	130 head

Example provided →

Year						

Give particulars of any abnormality in your normal farming program over the past three years (e.g. drought, flood, disease, bushfires etc.):

.....

.....

.....

.....

Expenditure on farm operations for subject property for last the three and next financial year (including stock purchase costs, wages, maintenance, rates etc)				Gross returns from sale of produce or other income from subject property for the last three and next financial year			
FY	FY	FY	FY	FY	FY	FY	FY

Has the primary production activity conducted on the property for which the applicant is making a request to be classified as farm land produced a profit in the past five years? (Evidence in the form of Business Tax Returns/Business Records will be required)

FY	FY	FY	FY	FY
Yes <input type="checkbox"/> No <input type="checkbox"/>				

Please select the assessable income received for each of the past three income years and the forecast assessable income for the current/next financial year from the primary production activity conducted on the property for which you are making this application:

FY	(\$)	FY	(\$)	FY	(\$)	FY	(\$)
<input type="checkbox"/> No profit							
<input type="checkbox"/> 0 to 10,000		<input type="checkbox"/> 0 to 10,000		<input type="checkbox"/> 0 to 10,000		<input type="checkbox"/> 0 to 10,000	
<input type="checkbox"/> 10,001 to 45,000		<input type="checkbox"/> 10,001 to 45,000		<input type="checkbox"/> 10,001 to 45,000		<input type="checkbox"/> 10,001 to 45,000	
<input type="checkbox"/> 45,001 to 75,000		<input type="checkbox"/> 45,001 to 75,000		<input type="checkbox"/> 45,001 to 75,000		<input type="checkbox"/> 45,001 to 75,000	
<input type="checkbox"/> 75,001 plus		<input type="checkbox"/> 75,001 plus		<input type="checkbox"/> 75,001 plus		<input type="checkbox"/> 75,001 plus	

Other Information

Please provide any other information that may support your application (e.g. Planning Permit applications lodged with Council; Farm Management Plan etc).

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.....

Employees

Do you employ any other person(s) to work the property? Yes No

If yes, please provide details of the number of persons employed and a general description of their duties

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.....

Attachments Checklist:

- Evidence of Primary Producer status from ATO – income tax assessment
- Evidence of profit over past 5 years – business tax return or business records
- Evidence of ongoing profitability – business cash flow forecast
- Other

Form B (to be completed by the applicant and applicant's accountant)

Applicant(s) Declaration

The information provided within this application for classification of my property as farm land is true and correct at the time of completion and this information is available for review if required

Full Name:..... Full Name: :.....

Address: Address:

Signature: Signature:

Telephone Number: Telephone Number:

Email: Email:

Date: Date:

Registered Accountant Verification Statement

I,

Full name (block letters please)

Of,

(Name of Accounting Firm)

Address:

Verify that the information provided within this application for:

Client(s).....

in relation to the property

located at is true and correct at the

time of completion and this information is available for review is required.

Signature:

Telephone Number:.....

Date:.....

Form C (to be completed by the applicant)

Applicant(s) Declaration

The information provided within this application for classification of my property as farm land is true and correct at the time of completion and this information is available for review if required

Full Name:..... Full Name: :.....

Address: Address:

Signature: Signature:

Telephone Number: Telephone Number:

Email: Email:

Date: Date: