

Application for farmland rating Information Summary

- If your Farmland activity meets the criteria set out in the Categorisation of Land as Farmland for Rating Purposes policy, then a Farmland Application Form needs to be completed and returned to Council.
- For land to be categorised as Farmland for rating purposes it must satisfy the criteria as set out in Section 515 of the Local Government Act 1993.
- Farmland Applications will be reviewed every 4 years after the initial application has been submitted; a Farmland Declaration will be sent to residents at this time asking them to confirm there have been no changes to the use of the property or change in circumstances that would change your eligibility.
- Failure to complete and return the application form will result in your property's rating category being changed.
- If additional information is needed after the application has been submitted Council will notify you. If Council is unable to determine the eligibility from the application and any subsequent information an inspection of the property may be required, if so, you will be contacted by a revenue team member to make an appointment.
- Council will consider the following;
 - a) the land is valued as one property assessment, Council does not consider other properties used in conjunction to this property for farming purposes;
 - b) the farming activity is the dominant use of the property;
 - c) the farming activity has a significant and substantial commercial purpose or character;
 - d) the farming activity is continuous and repetitive; and
 - e) there is an intention for profit whether or not a profit is actually made.
- In order to qualify for Farmland Rating the dominant use of the land must be for Farming. In order to determine whether 'dominant use' of the land in question is for farming, Council will not merely look at the amount of land used for the particular activity carried on, but also the intensity and purpose of that use.
- These activities must be engaged in for the purpose of profit on a continuous or repetitive basis and must have a significant commercial purpose. A profit does not necessarily need to be made.
- The categorisation of land for rating purposes has no relationship with the zoning of the land. Zoning is used for planning purposes.
- All information contained within the application shall be treated as 'strictly confidential'.
- If you change the use of your property, you are required to notify Council within 30 days of this change. If you are not satisfied with the category given to your property, you can lodge an appeal with Council for review.

Detailed information in relation to the requirements for Farmland Rating can be found in Council Policy XX 'Categorisation of land as Farmland for Rating Purposes'. Further details can be found on Council's website <https://council.lithgow.com> or you can contact Council's Revenue Team on 02 6354 9999.

Frequently Asked Questions

Why are we doing the Farmland review?

Council wants to ensure that every rateable parcel of land is being categorised correctly under the Local Government Act. Farmland rating is a reduced rate and only properties that meet the criteria should be eligible to receive this rating category. Council is unable to determine if a property is eligible without requesting the necessary information from land holders.

If there are properties that are ineligible receiving the reduced rate this impacts the rest of the rating pool who then have to pay more to compensate these assessments.

How do I qualify for Farmland Rating?

If your farmland activity meets the criteria set out in the Farmland Policy, then a Farmland Application Form needs to be completed and returned to Council.

What is the criteria?

The criteria used for assessing applications can be identified by:-

- Land use – what type of farming is being carried out
- Assessed land capacity – what is the carrying capacity and return per hectare
- Is the dominant use of the land in question farming?
- Is the land used for significant and substantial commercial purpose or character?
- Is farming engaged in for the purpose of profit on a continuous or repetitive basis?

Is a parcel of rateable land valued as one assessment and its dominant use is for farming. Farming includes 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
- aquaculture (within the meaning of the Fisheries Management Act 1994), or

Land cannot be categorised as Farmland if it is rural residential land.

What happens if I don't meet the criteria?

To receive the reduced Farmland Rate, you must meet the criteria set out in the Policy. If you do not, then the property will revert back to Residential Other. The owner will be notified in writing of any changes to the categorisation on the property.

If I am not a Primary Producer as defined by the Australian Taxation Officer as I automatically excluded from Farmland Rating?

No. If you meet the criteria under Section 515 of the Local Government Act you will be eligible for Farmland Rating. In certain circumstances the owner of the property is not the person that is undertaking the Farming activities (property may be agisted or leased).

What happens if I'm not currently farming but decide to in the future?

A property owner can make an application for farmland rating at any time. If the circumstances change they can contact Council and request a rating category review. An application will be sent to the property owner.

How often do I need to complete this application process?

This initial review of Farmland will require property owners currently being rated as Farmland to complete the full application. Once your property has been determined as eligible then Council will send a Farmland Declaration every four (4) years asking you to confirm that the details are still correct and current. Only if the property changes ownership will a new application be required.

Do I have an option for appeal?

If you are not in agreement with Council's decision, a written request for a review can be made stating the reasons why. The application will be reviewed and the property will be inspected.

If you are not satisfied with Council's review of the categorisation you may appeal to the Land and Environment Court of NSW within 30 days.

As part of the review process Council may decide to obtain an independent review of the application. This review would require the appointment of an independent advisor with agricultural experience to inspect the property and provide a written report on the categorisation determined by Council.

Why are you asking me to provide income details?

One of the criteria that must be met in order to qualify is determining if the farming is engaged in for the purpose of profit on a continuous or repetitive basis. We are simply trying to determine if there is evidence to support a conclusion that the activities are economically viable.

Will someone need to inspect my property?

If the application does not provide sufficient information and Council is unable to make a determination based on the application or any additional information that is requested an inspection of the property may be required, if so, you will be contacted by a revenue team member to make an appointment.

What if I do not consent to someone inspecting my property?

If you do not want Council to inspect your property you will need to provide sufficient information in the application (and supporting documentation if needed) so that Council is able to make an informed decision on whether Farmland activity is being conducted on your property.

What happens if I don't fill out the form or my application is incomplete?

If an applicant refuses to complete an application form or to provide sufficient information to enable a determination of the categorisation, the property shall be considered ineligible for farmland rating.

Does this change in rating affect my zoning?

The categorisation of Land for rating purposes has no correlation with the zoning of land. Zoning is for planning purposes (ie. What types of developments can be undertaken on the land) the categorisation of land for rating purposes is on the basis of the use of the land.

Will the change to Residential Other mean I can subdivide my property?

Similar to the zoning of a property, the question of whether or not your property can be subdivided is not determined by the rating category. If you would like to know if your property has potential for subdivision you will need to talk to Council's planning department.

Why don't I qualify for Farmland when I have horses?

The basic connotation of the word "grazing" is that animals feeding themselves by cropping the grasses, or pastures, natural or improved. The word does not include the notion of feeding by eating hay, or other produce taken from the soil by man. For this reason, Horse Stud Farms will not be classified as grazing and not permissible as farming.

Where land is given over to agistment for the purposes of grazing horses used by another person for recreation or sport does not constitute the business of grazing.

What happens if my property is sold, transferred or subdivided?

Where a property is sold, transferred or subdivided the owner(s) will be required to complete and submit a "Farmland Rating Application" form for determination.

I have a Conservation agreement on my property? Does that affect my rating or Farmland eligibility?

Conservation Agreements are legal agreements under section 69 of the *National Parks and Wildlife Act 1974* between landholders and the Minister for Climate Change, Environment and Water covering identified areas of land with significant conservation values.

Any land that is subject to a Conservation Agreement is identified and registered on the land title.

Unlike a conservation agreement that is in force in perpetuity, land that is subject to a Wildlife Refuge Agreement or Biodiversity Stewardship Agreement is not subject to an exemption from the payment of council rates.

Who can I talk to if I have any questions or concerns about the application?

Council's Revenue team are happy to discuss Rating Categorisation with all ratepayers. Call Council on 02 6354 9999 and ask to speak with the Revenue Team. Alternatively, you can send an email to council@lithgow.nsw.gov.au.