

## QUEENSLAND

### LOCAL RATING

Although Queensland was the last State in the Commonwealth of Australia to tax land values for State governmental purposes, it enjoys the honor of being the first to adopt the principle for local government. The first steps in this direction were taken by the Conservative Government of Sir Thomas McIllwraith. They passed "The Divisional Boards Act, 1879," which provided that certain improvements should be exempt from rating in the rural areas.

The later act, the Divisional Boards Act, 1887, was carried by the government of Sir Samuel Griffith. This extended the principle of exempting improvements from taxation and provided that the capital value of country land, upon which the annual value was to be based, should be taken at the fair average value of unimproved land of the same quality in the same neighborhood.

Later on a Coalition Government composed of Liberals and Conservatives passed "The Valuation and Rating Act, 1890." This "excluded improvements from local rating in urban, as well as in rural areas, except as regards land held under gold-field tenures, where the value of buildings was to be included."

In 1902 the Conservative government of Mr. Philip passed "The Local Authorities Act, 1902," which consolidated the whole of the statutes relating to local government. This Act swept away almost the last vestige of any rating on improvements and made the unimproved value of land practically the sole basis on which local authorities were permitted to assess rates.

A Royal Commission was appointed in 1896 to inquire into and report upon the whole system of local government. The enquiry lasted for two months, many witnesses were called and examined, and questions were sent to all local councils. Ninety-six replies were received. Only one witness expressed an opinion

in favor of the old system of taxing improvements, and only one local authority did the same. It will thus be seen that after five years practical working of the principle it met with almost universal approval.

The Act of 1902 limits the rating power of local authorities as follows, no distinction being made between rural and urban authorities. The general rate shall not be less than one half-penny and not more than six pence in the pound on the unimproved value of land; special rates shall not exceed three pence in the pound. In addition, water rates, separate rates, loan, cleansing, and tramway rates may be levied and no limit is set to their incidence. The minimum valuation of any property is £20 in shires and £30 in cities and towns. Tramways are rated in the ordinary way on their land, and in addition pay 1½ per cent. on the gross earnings of their cars. Gas companies pay from £1 to £8 per mile of main pipe, according to their diameter, and electric supply companies pay £2 per mile of route traversed by their line or lines. Hydraulic mains under public roads pay £5 per mile during the first ten years and £10 per mile thereafter.

The following table of figures will show the growth of population and land values in Queensland from 1906 to 1913.

1906	Capital value of land	Rates received	Population
Shires.....	£29,197,808	£176,664	306,212
Cities and towns...	13,980,737	217,665	227,106
Total .....	<u>£43,178,545</u>	<u>£394,329</u>	<u>533,318</u>
1913	Capital value of land	Rates received	Population
Shires.....	£41,272,641	£362,108	399,305
Cities and towns...	15,708,680	379,865	273,874
Total.....	<u>£56,981,321</u>	<u>£741,973</u>	<u>673,179</u>

#### TAXING LAND VALUES FOR STATE PURPOSES

Previous to 1915 there was no tax levied upon land values for State purposes, but on December 29th, 1915, assent was given to "An Act to Impose a Land Tax upon Unimproved Values and for purposes incidental thereto and consequent thereon." This Act applies to all lands within Queensland

which, "whether before or after the passing of this Act, have been alienated from the Crown for an estate in fee-simple." The Act provides that if the taxable value is less than £500 the rate of the land tax shall be one penny for each and every £; and for all amounts exceeding £500 up to and including £75,000 and over, the rate shall be graduated increases of approximately one half-penny in the £ up to a maximum of six pence in the £ for £75,000 or over.

And in addition, on all undeveloped land: For the year beginning July 1, 1916, 1d in the £; 1917, 1½d in the £; and annually thereafter 2d in the £.

"For the purpose of this section, undeveloped land means all land which has not in or upon it improvements of the value of at least one-fourth of the unimproved value of the land; and, in valuing improvements for this purpose, the value of all stock ordinarily depastured on the land may be taken into account as an improvement: Provided, that any land may in any year be exempted from the said tax on undeveloped land by the Commissioner if, owing to drought or other sufficient cause, he deems it just and proper so to do."

The Land Tax Act of 1915 was passed by a Labor Government with Mr. Ryan as Premier.—E. J. C.