

Information Paper

Introduction of Property Based Fire Services Levy

04 September 2012

The State Government has announced its intention to proceed with a Property based Fire Service Levy to take effect as of July 1st, 2013. Whilst finer details are yet unknown, please find below our initial analysis of the new policy in relation to VFBV's formal submission to treasury back in late 2011.

1. Statutory Contributions - State

VFBV Position	New Government Policy	Status
Retain State Contribution	Retained	Green
State Contribution should not be reduced from existing levels	Amount & Level Unknown	Yellow

2. Statutory Contribution – Local Government (MFD 12.5%)

VFBV Position	New Government Policy	Status
Retain for MFD	Abolished	Red
Not allow Councils to opt-in / out	Unknown	Yellow

3. Broaden the Tax Base

VFBV Position	New Government Policy	Status
Investigate including Motor Vehicles	Motor Vehicles Not included	Red
Non-Rateable Property (Councils & State Government)	Statutory contribution covers all State assets, unknown if council properties will be levied.	Yellow

4. Valuation Base

VFBV Position	New Government Policy	Status
Capital Improved Value	Capital Improved Value	Green

5. Revision of Funding Requirement

VFBV Position	New Government Policy	Status
Periodic review	Review period Unknown	Yellow

6. Fixed or Variable Charge

VFBV Position	New Government Policy	Status
Fixed + Variable	Fixed + Variable	Green

7. MFESB & CFA

VFBV Position	New Government Policy	Status
CFA residents should not pay more than MFD residents in recognition of CFA obligations to protect critical State infrastructure. (Water Catchments, power generators etc)	Separate levies retained for MFB & CFA area's. Initial figures suggest MFD levy appears to be lower than CFA levy which suggests residents in MFB areas will only fund MFB, and CFA residents will fund CFA	
MFD residents should contribute towards CFA's protection of State assets, amenities & critical infrastructure	Unknown. Separate levies for MFD and CFA areas to reflect cost of each service	
Recognition of Volunteer surge capacity and community involvement to recognise that by a lower levy for CFA residents	Does not appear to	

8. Differential rates by property type

VFBV Position	New Government Policy	Status
Differentiate by property type	Yes – Residential, Commercial, Industrial & Primary Producers.	
Reward Risk Reduction/Mitigation	No	

9. Concessions

VFBV Position	New Government Policy	Status
Concession for serving Emergency service Volunteers	No. Concessions only for pensioners & veterans.	

10. Collection Agency

VFBV Position	New Government Policy	Status
No view on which agency should collect – but must be efficient & transparent	Local council	

11. Transitional Arrangements

VFBV Position	New Government Policy	Status
Tapering model preferred	Unclear on transition arrangements	

12. Monitoring

VFBV Position	New Government Policy	Status
Independent Monitor to ensure Insurance Companies pass on savings	Independent Monitor will be appointed to monitor	