

<b>Policy Number:</b>	FNC 4
<b>Policy Type:</b>	Finance
<b>Policy Name:</b>	<b>Tourism Based Rural Properties – Rating Basis</b>
<b>Policy Owner:</b>	Chief Executive Officer
<b>Authority:</b>	Shire of Nannup

## OBJECTIVE

To provide guidelines to establish when the classification of a rural rateable location should change from traditional “rural”, to “rural GRV”; ie its use is predominantly tourism based.

## POLICY

As per the intent of S 6.28 of the Local Government Act 1995, where land is used predominantly for rural purposes, the property shall be valued based upon its unimproved value.

Where tourism development has occurred on a location to the extent that its use is predominantly non rural, the location shall be valued based upon its gross rental value.

The following should be taken into consideration when determining whether a location is being used for tourism related activities as opposed to rural:

1. When tourism related activity produces the majority of the income for a location, then this activity takes over as the “predominant use”.
2. The predominant use must be definable within a rateable lot or location.
3. Tourism based activities include Chalets, Lodging Houses, Guest Houses, Wineries, door sales of produce (eg marron, wine, cheese, craft, woodwork, etc), Restaurants, etc., or a combination of these.
4. As a guide, five or more chalets on a property would indicate the predominant use has changed.

Related Policies	
Related Procedures/Documents	
Delegated Level	
Adopted	OM 25 February 1999
Reviewed	<a href="#">OM 25 January 2018</a>