

3.2. ADOPTION OF DIFFERENTIAL GENERAL RATES FOR FINANCIAL YEAR 2026 - 2027

REPORT AUTHOR	Interim Chief Financial Officer
MANAGER	General Manager Corporate and Communities
DEPARTMENT	Corporate and Communities
DATE	16 June 2026

RECOMMENDATION

That Council resolves to:

- In accordance with Section 81 of the *Local Government Regulation 2012*, that the categories to which rateable land is categorised, the description of those categories and, in accordance with Section 81(4) and Section 81(5) of the *Local Government Regulation 2012*, the method by which land is to be identified and included in its appropriate category is as follows:

Category Number	Category Name	Description	Primary Land Use Applicable
1	Residential - Principal place of residence (PPR) - \$1 to \$1,300,000	Properties used solely for a single residential dwelling, which is the principal place of residence of the owner/s, with a rateable valuation from \$1 to \$1,300,000.	02, 05, 09
2	Residential - Principal place of residence (PPR) - greater than \$1,300,000	Properties used solely for a single residential dwelling, which is the principal place of residence of the owner/s, with a rateable valuation greater than \$1,300,000.	02, 05, 09
3	Residential – Non-Principal place of residence (NPPR) - \$1 to \$1,300,000	Properties used solely for, or capable of use for, a single residential dwelling, which is not the principal place of residence of the owner/s, with a rateable valuation from \$1 to \$1,300,000.	01, 02, 04, 05, 06, 09, Excluding properties in Commercial Categories 14 and 15

Category Number	Category Name	Description	Primary Land Use Applicable
4	Residential – Non-Principal place of residence (NPPR) - greater than \$1,300,000	Properties used solely for, or capable of use for, a single residential dwelling, which is not the principal place of residence of the owner/s, with a rateable valuation greater than \$1,300,000.	01, 02, 04, 05, 06, 09, Excluding properties in Commercial Categories 14 and 15
5	Residential Building Units - Principal place of residence (PPR)	Properties that are used for residential purposes and the unit lot is part of a Community Title Scheme, which is the principal place of residence of the owner/s.	08
6	Residential Building Units - Non-Principal place of residence (NPPR)	Properties that are used for residential purposes and the unit lot is part of a Community Title Scheme, which is not the principal place of residence of the owner/s.	08
7	Residential – Flats 2	Properties that are used for multi residential purposes (flats) and contain two (2) independent living flats.	03
8	Residential – Flats 3-4	Properties used for multi residential purposes (flats) and contain three (3) or four (4) independent living flats.	03
9	Residential – Flats 5-6	Properties used for multi residential purposes (flats) and contain five (5) or six (6) independent living flats.	03
10	Residential – Flats 7+	Properties used for multi residential purposes (flats) and contain seven (7) or more independent living flats.	03
11	Residential Section 50	Subdivider land which is subject to Section 50 of the <i>Land Valuation Act 2010</i>.	72

Category Number	Category Name	Description	Primary Land Use Applicable
12	Rural Productive	Properties which are used predominately for primary production.	60, 61, 64, 65, 66,67, 68, 69, 70, 71,73, 74, 75, 76, 77,78, 79, 80, 81, 82, 83, 84, 85, 86, 87,88, 89, 93, 94
13	All Other Land	All land which is not otherwise categorised.	-
14	Commercial - North of McClelland Road	Properties in the localities of Cooya, Mossman and other localities to the north of Mossman (excluding those properties in Commercial Categories 15, 16, 17 and 18): (i) that are used, or capable of being used, for commercial/industrial purposes; or included as Commercial and Industry Planning Areas in the 2018 Douglas Shire Planning Scheme Version 1.0.	01, 04, 06, 07, 08,09, 10, 11, 12,13,14, 15, 16, 17, 18;19, 20, 22, 23, 24,25, 26, 27, 28, 29, 30, 31, 32, 33, 34,35, 36, 37, 38, 39,40, 41, 42, 43, 44,45, 46, 47, 48, 49,50, 51, 52, 55, 56,57, 58, 72, 91, 92,95, 96, 97, 99
15	Commercial – South of McClelland Road	Properties in the localities of Port Douglas, Craigie and other localities to the south of Craigie (excluding those properties in Commercial Categories 14, 16, 17 and 18) (i) that are used, or capable of being used, for commercial/industrial purposes; or (i) included as Commercial and Industry Planning Areas in 2018 Douglas Shire Planning Scheme Version 1.0.	01, 04, 06, 07, 08,09, 10, 11, 12,13,14, 15, 16, 17, 18;19, 20, 22, 23, 24,25, 26, 27, 28, 29, 30, 31, 32, 33, 34,35, 36, 37, 38, 39,40, 41, 42, 43, 44,45, 46, 47, 48, 49,50, 51, 52, 55, 56,57, 58, 72, 91, 92, 95, 96, 97, 99
16	Commercial - Not for Profit	Properties used by not-for-profit recreation, sporting and community groups that receive a remission or rebate under Council's Rates Rebate – Not for Profit Entities Policy.	-

Category Number	Category Name	Description	Primary Land Use Applicable
17	Commercial - Marina	Properties which are predominantly used or intended for use as a shopping centre, with a secondary use of a marina, which: (a) Have an area in excess of 1.5 ha; and (b) Contain a building or group of buildings comprising more than six (6) shops.	12 With a secondary land use of: 20
18	Heavy Industry	Properties that are used or have the potential to be used for a sugar mill or co-generation plant.	35

LAND USE CODES

Land Use Codes (LUC)			
1	Vacant urban land;	48	Sports Clubs/Facilities;
02	Single unit dwelling - urban and rural;	49	Caravan Parks;
03	Multi Unit Dwelling (Flats)	50	Other Clubs Non-Business;
04	Large Homesite vacant;	51	Religious;
05	Large homesite - dwelling;	52	Cemeteries (including Crematoria);
06	Outbuildings;	55	Library;
07	Guest House/Private Hotel;	56	Showgrounds/Racecourses /Airfields;
08	Building Units;	57	Parks and Gardens;
09	Group Titles;	58	Educational - including Kindergartens;
10	Combined Multi Dwelling and Shops;	60	Sheep Grazing - Dry;
11	Shop - Single;	61	Sheep Breeding;
12	Shops group (more than six (6) shops);	64	Cattle Grazing - Breeding;
13	Shopping group (two (2) to six (6) shops);	65	Cattle Breeding and Fattening;
14	Shops - Main Retail;	66	Cattle Fattening;
15	Shops - Secondary Retail;	67	Goats;
16	Drive In Shopping Centre;	68	Milk - Quota;
17	Restaurant;	69	Milk - No Quota;
18	Special Tourist Attraction;	70	Cream;
19	Walkway;	71	Oil Seeds;
20	Marina;	72	Subdivider land subject to Section 50 of the <i>Land Valuation Act 2010</i> .
21	Residential Institution (Non-medical centre);	73	Grains;
22	Car Park;	74	Turf Farms;
23	Retail Warehouse;	75	Sugar Cane;
24	Sales Area Outdoor;	76	Tobacco;
25	Professional Offices;	77	Cotton;

26	Funeral Parlours;	78	Rice;
27	Hospitals; Convalescent Homes (Medical Care) (Private);	79	Orchards;
28	Warehouses and Bulk Stores;	80	Tropical Fruits;
29	Transport Terminal;	81	Pineapples;
30	Service Station;	82	Vineyards;
31	Oil Depot and Refinery;	83	Small Crops and Fodder Irrigated;
32	Wharves;	84	Small Crops Fodder Non- irrigated;
33	Builders Yard/Contractors Yard;	85	Pigs;
34	Cold Stores - Ice works;	86	Horses;
35	General Industry;	87	Poultry;
36	Light Industry;	88	Forestry and Logs;
37	Noxious/Offensive Industry;	89	Animals Special;
38	Advertising - Hoarding;	91	Transformers;
39	Harbour Industries;	92	Defence Force establishments;
40	Extractive;	93	Peanuts.
41	Child Care; excl. Kindergarten	94	Vacant rural land. (excl. 01 & 04)
42	Hotel/Tavern;	95	Reservoir, Dam, Bores;
43	Motel;	96	Public Hospital;
44	Nurseries;	97	Welfare Homes/Institutions;
45	Theatres and Cinemas;	99	Community Protection Centre.
46	Drive-In Theatres;		
47	Licensed Clubs;		

INTERPRETATION

The following terms used in the differential rating categories have the meanings set out below:

Community Titles Scheme: a community titles scheme under the *Body Corporate and Community Management Act 1997*.

Land use code: the codes recorded in Council's land records which identify the principal use of the land determined by the State valuation authority.

Principal place of residence: land that is the place of residence at which at least one natural person who constitutes the owner/s of the land predominantly resides.

In establishing whether land is the owner's principal place of residence, Council may consider but not be limited to the owner's declared address for electoral, taxation, government social security or national health registration purposes, or any other form of evidence deemed acceptable by the Council. Residential premises that have not met these criteria will be deemed a secondary residence.

Principal Place of Residence for Building Units - To be eligible for Principal Place of Residence your property must be able to be occupied as a permanent residence under Council's Planning Scheme or have relevant planning approval.

For the avoidance of doubt, land will not be the owner's principal place of residence where it is:

1. not occupied by at least one (1) person/s who constitute the owner/s, but occupied by any other person/s, whether in return for rent or remuneration or not, including members of the owner's family, or:
 2. vacant, whether permanently or temporarily (for more than 120 days of the financial year), including for the purposes of renovation or redevelopment, except in the case where:
 - a) premises that are being renovated are and remain the principal place of residence of the owner, and the owner does not during the renovation period own any other property which is used as, or asserted by the owner for any purpose to be, the owner's place of residence within the Douglas Shire; and
 - b) a property is vacant for a period longer than 120 continuous days of the financial year due to the owner/s absence on an extended holiday, provided that the property remains completely vacant for the entire period of their absence within the Douglas Shire;
 - c) a property is vacant due to the owner/s absence due to work commitments, provided that the absence is confirmed in writing by the owner's employer to Council's satisfaction and the property remains vacant or is occupied by immediate family members only during the period of the owner's absence within the Douglas Shire;
 - d) the owner is absent due to medical reasons of the owner or a close relative and this is confirmed in writing by a health professional to Council's satisfaction, and the owner does not during the vacancy period own any other property which is used as, or asserted by the owner for any purpose to be, the owner's place of residence within the Douglas Shire; or
 3. not owned by a natural person, e.g., owned by a company, except where the ratepayer residing at the property as their principal place of residence is the company owner.
 4. flats and other multiple tenement residential properties, even where the owner of the land resides in one (1) of the flats or tenements.
2. To delegate to the Chief Executive Officer (or delegate) the power, in accordance with Section 81(4) and Section 81(5) of the *Local Government Regulation 2012*, to identify the rating category to which each parcel of rateable land belongs.
 3. In accordance with Section 94 of the *Local Government Act 2009* and Section 80 of the *Local Government Regulation 2012*, that the differential general rate to be made and levied for each differential general rate category and, in accordance with Section 77 of the *Local Government Regulation 2012*, that the minimum general rate to be made and levied for each differential general rate category, is as follows:

Category	Rate in the Dollar		Minimum Differential General Rate
1 - Residential – PPR \$1 to \$1,300,000	0.6323	cents in the dollar	\$1,400
2 - Residential – PPR greater than \$1,300,000	0.5319	cents in the dollar	\$8,812

Category	Rate in the Dollar		Minimum Differential General Rate
3 - Residential – NPPR \$1 to \$1,300,000	0.7299	cents in the dollar	\$1,755
4 - Residential – NPPR greater than \$1,300,000	0.5747	cents in the dollar	\$10,172
5 - Residential Units – PPR	0.6323	cents in the dollar	\$1,400
6 - Residential Units – NPPR	0.9827	cents in the dollar	\$1,755
7 - Residential Flats 2	0.8735	cents in the dollar	\$2,117
8 - Residential Flats 3-4	0.9462	cents in the dollar	\$2,848
9 - Residential Flats 5-6	0.9768	cents in the dollar	\$4,745
10 - Residential Flats 7+	1.0611	cents in the dollar	\$6,643
11 - Residential – Section 50	0.7299	cents in the dollar	Nil
12 – Rural Productive	1.2678	cents in the dollar	\$1,525
13 - All Other Land	0.7299	cents in the dollar	\$1,525
14 - Commercial North	1.0712	cents in the dollar	\$1,826
15 - Commercial South	0.8564	cents in the dollar	\$1,826
16 - Commercial NFP	0.7046	cents in the dollar	\$1,400
17 - Commercial Marina	3.9179	cents in the dollar	\$427,274
18 - Heavy Industry	0.8564	cents in the dollar	\$1,749

EXECUTIVE SUMMARY

As part of the 2026/27 budget process, Council performed a review of the Differential General Rates structure to ensure rating is fair and equitable across the community, while maintaining financial sustainability for Council.

The review was undertaken by an external local government rates expert from Mead Perry Group and considered the implications of rising costs across the local government sector and the Valuer-General's recent statutory land valuation of Douglas Shire, whereby land values increased by 35 per cent on average. The last land valuation of Douglas Shire took place four (4) years ago.

The results of the review were presented at Councillor Workshops held on 31 March 2026 and 21 April 2026. If supported, the amended Differential General Rates for 2026/27 would result in:

- **62 per cent** of all residential properties (principle-place-of-residence) increasing in rates by **\$81** or less – or **\$1.55** per week
- **78 per cent** of all investor properties (non-principle-place-of-residence) increasing in rates by **\$117** or less – or **\$2.25** per week
- **66 per cent** of all commercial properties increasing in rates by **\$174** or less – or **\$3.35** per week

This report provides the recommended resolutions required in relation to the adoption of the Differential General Rates for 2026/27.

PREVIOUS COUNCIL CONSIDERATIONS / RESOLUTIONS

Not applicable

REPORT/BACKGROUND

In accordance with Section 81 of the *Local Government Regulation 2012*, differential general rates will be levied on all rateable land in the Council area.

Differential General Rates allow local governments to distribute the rate burden more fairly by charging different properties varying rates based on land use, location, and demand on infrastructure. Instead of a flat rate, Councils tailor rates so that high-impact land uses contribute proportionately more to community.

In collaboration with Douglas Shire Council's finance team, Mead Perry Group was engaged to undertake an independent and extensive review of Council's Differential General Rates model. Comparative information on differing approaches taken by other local governments in Queensland was considered.

Amendments included the rationalisation of rating categories, cents in the dollar were reduced, and the minimum differential rate adjusted, to ensure equity for ratepayers and that Council is financially sustainable.

FINANCIAL AND RESOURCE IMPLICATIONS

Financial implications are included in the report recommendation. General rates have been calculated to provide equity to all ratepayers.

RISK MANAGEMENT IMPLICATIONS

There are no risk management implications associated with this report.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications associated with this report.

SOCIAL IMPLICATIONS

There are no social implications associated with this report.

CORPORATE AND OPERATIONAL PLAN

This report has been prepared in accordance with the following:

Corporate Plan 2025-2030 Initiatives:

Theme 1 - Liveability

To deliver community activities to promote safe, healthy, inclusive and socially engaged communities with an environmental conscious.

1.1 - Deliver community initiatives that support healthy, inclusive and socially engaged communities.

Theme 2 - Prosperity

Council plans, builds and maintains the infrastructure required to improve our lifestyle and promote economic growth, working actively to support local businesses.

2.2 - Support local business through local procurement.

Theme 3 - Service Delivery

We deliver Council services effectively and efficiently to meet community expectations, focusing on the wellbeing of both the community and our employees.

3.1 - Deliver the Corporate Plan, Operational Plan and Budget.

Operational Plan 2025-2026 Actions:

Legislative requirement.

LEGISLATION AND POLICY

- *Local Government Act 2009*
- *Local Government Regulation 2012*
- *Body Corporate and Community Management Act 1997*

CONSULTATION

Internal Consultation:

- Workshops with Councillors held 31 March 2026 and 21 April 2026
- Douglas Shire Council Financial Services Team
- Douglas Shire Council Executive Leadership Team.

External Consultation:

- Mead Perry Group

CONCLUSION

That Council support the proposed recommendation to adopt the Differential General Rates for 2026/27.

ATTACHMENTS

Nil