

METROPOLITAN REGION IMPROVEMENT TAX, RATE

66. Hon Jim Scott to the Parliamentary Secretary representing the Minister for Planning and Infrastructure
In relation to the Metropolitan Region Improvement Tax -

- (1) To what type of projects and purposes does the Government intend to use money raised from this tax?
- (2) What is the current rate of this tax?
- (3) What has been the highest rate this tax has been levied?
- (4) Does the Government intend to increase the rate of this tax?
- (5) What is the current annual collection from the tax?
- (6) What is the total amount held in the Metropolitan Region Improvement account?

Hon G.T. GIFFARD replied:

- (1) The Metropolitan Region Improvement Tax is under the control of the Western Australian Planning Commission (Metropolitan Region Town Planning Scheme Act 1959, section 38 (1)(b)).

The Metropolitan Region Town Planning Scheme Act 1959 authorises the Western Australian Planning Commission to apply the tax to all expenditure incurred by it for the purpose of formulating, promulgating, carrying out and giving effect to the Metropolitan Region Scheme (section (3)), including expenditure required for the purpose of carrying out the East Perth Redevelopment Act 1991, Subiaco Redevelopment Act 1994, the Midland Redevelopment Act 1999 or the Hope Valley-Wattleup Redevelopment Act.

The Metropolitan Region Improvement Tax is applied to the acquisition of lands reserved under the Metropolitan Region Scheme for important regional roads, controlled access highways, parks and recreation reserves and special uses.

- (2) The current rate of the Tax is set by the Metropolitan Region Improvement Tax Act 1959 section 7. The rate of the Tax since 1 July 1993 has been 0.15 cents for every dollar of unimproved value within the meaning of the Land Tax Assessment Act 1976.
- (3) The Metropolitan Regional Improvement Tax Act 1959 contains a full list of the tax rates since its inception.

The highest rate was levied between 30 June 1960 and 30 June 1962 at one halfpenny for every pound of the unimproved value; and between 1 July 1968 and 30 June 1987 at one-quarter of one cent for every dollar of the unimproved value.

- (4) The Government has not considered the option of changing the rate of the Metropolitan Region Improvement Tax.
- (5) In the 2000-01 budget year the anticipated collection is \$36.4 million.
- (6) At 13 June 2001 the balance of the account was \$39,191,997.