



## APPLICATION FOR CLASSIFICATION OF RATEABLE PROPERTY AS FARM LAND

**CONFIDENTIAL**

### COMPLETION OF FORMS

- Please complete all the questions on 'Form A'.
- Questions 10 and 11 are to be completed by your registered accountant.
- 'Form B' is to be completed, dated and signed by both the applicant(s) and applicant's registered accountant.
- If you do not have a registered accountant, please complete 'Form A' and 'Form C'.
- Return completed, dated and signed forms by email to [rates@bawbawshire.vic.gov.au](mailto:rates@bawbawshire.vic.gov.au) or by post to:

Revenue Services  
Baw Baw Shire Council  
PO BOX 304  
WARRAGUL VIC 3820

You will receive a letter acknowledging receipt of your application form and advising you of the outcome of your application.

### The following is the definition of farm land as per Section 2 of the Valuation of Land Act 1960:-

*"Farm Land" means any rateable land-*

*(a) that is not less than 2 hectares in area; and*

*(b) that is used primarily for grazing (including agistment), dairying, pig-farming, poultry farming, fish-farming, tree-farming, bee-keeping, viticulture, horticulture, fruitgrowing, or the growing of crops of any kind or for any combination of those activities; and*

*(c) that is used by a business –*

*(i) that has a significant and substantial commercial purpose or character; and (ii) that seeks to make a profit from its activities on a continuous or repetitive basis from its activities on the land; and*

*(iii) that is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way that it is operating.*

**Privacy Statement** - *The personal information on this form is being collected by Council to enable assessment of your application. Council will use the information for this primary purpose only. You may apply to Council to gain access to, or for the amendment of personal information held by Council. Information on Council's Privacy Policies can be obtained from Council's Privacy Officer during business hours on 03 56242411.*

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Shire Council**

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**PO Box 304  
Warragul Victoria  
3820**

**The following guidelines have been used in interpreting the provision of the abovementioned definition.**

## **1. General Consideration**

### **1.1 “Business”**

Whatever activity is being conducted on a property, it must be a business as opposed to a hobby or recreational activity.

The term “business” has been considered on many occasions by different courts. The essential characteristics are;

- the activity must be undertaken for the purpose of profit on a continuous and repetitive basis; classification as a “primary producer” by the Australian Taxation Office;
- losses are acceptable in the short term and on other occasions but the intention and possibility of making profits must be apparent;
- activities undertaken as a commercial enterprise in the nature of a going concern;
- a systematic approach to the activity with regard to development and maintenance;
- the keeping of books and records.

The effective development of the property for production, judged by significant expenditure clearly directed to this purpose are factors considered for the commencement of a business.

It is the responsibility of the applicant to convince Council that a farming business is being conducted or your intentions regarding the establishment of a business.

The applicant can be the owner or the occupier but must be:

- classified as a Primary Producer by the Australian Taxation Office; and
- be responsible for the payment of the rates and charges of the property for which the application is being made.

### **1.2 “Primarily”**

Mere comparison of relative areas occupied by a residential or commercial use and a farming business is not decisive; regard must also be given to the relative weights of the competing uses.

Where there exists a business undertaking which possesses the characteristics of a business, as defined earlier, and where the dwelling and curtilage occupy a minor area, it is irrelevant as to how much money is invested in the residential use.

### **1.3 “Used”**

Evidence of adequate maintenance of the property is important, particularly where there is competing use of the land, such as particular use for a residence. The type of maintenance should be appropriate to the business being conducted and to the size of the property, and may be minimal on vacant land, which is used entirely for business purposes.

## **2. Specific Business**

### **2.1 Grazing (including agistment)**

The carrying on of the business of grazing usually involves the buying and selling of livestock. The initial building up of a herd or flock for future breeding purposes may be sufficient to satisfy the definition, providing it is clearly demonstrated the ultimate objective is commercial production.

The Act provides for agistment, where an occupier takes in stock belonging to someone else and charges a fee in return for care of the stock. The occupier, however, must be conducting a grazing and/or agistment business on the property.

The applicant must demonstrate that use of sound agricultural practice and the existence of an activity which has been undertaken on a continuous and repetitive basis.

## **2.2 Dairying**

This business has similar characteristics to grazing.

## **2.3 Pig-farming**

Piggeries must satisfy Health Act requirements, substantial investment and maintenance is necessary.

## **2.4 Poultry farming**

This is an intensive activity able to be carried out profitably on a 2 hectare property. To display a purpose of profit an occupier must spend considerable time and effort on the activity.

## **2.5 Fish farming**

This business is also capable of viability on a small property but necessarily involves development of ponds or investment in tanks. It can include yabbies, fish for food or tropical fish for pet shops.

## **2.6 Tree farming, Viticulture and Fruit Growing**

These activities cannot become profitable for several years until trees or vines mature sufficiently for harvesting or to bear fruit.

It should be evident that the land is being properly prepared for these purposes Before an application is submitted and subsequently that the plantings are being maintained and developed for commercial production.

## **2.7 Bee-keeping**

This is a use which can be carried out on land which is uncleared but the criteria of maintenance and the characteristics of a business must be satisfied.

## **2.8 Horticulture or the growing of crops of any kind**

Evidence of significant expenditure and sound agriculture development of the land is required for initial approval, with evidence of commercial production after establishment.

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## Form A *(to be completed by ALL applicants)*

Ratepayer Name: \_\_\_\_\_

Owner  Occupier

If you are not the owner please state owner's name: \_\_\_\_\_

If you are not the occupier please state the occupier's name: \_\_\_\_\_

Postal Address: \_\_\_\_\_

Mobile: \_\_\_\_\_ Home: \_\_\_\_\_ Business: \_\_\_\_\_

Property Address and Title Description: \_\_\_\_\_

Property Area (Hectares): \_\_\_\_\_ Property/Assessment Number(s): \_\_\_\_\_

1. What is the primary production business or industry for which you are making this application e.g. grazing cattle, dairy, vegetable, fruit growing:  _____													
2. Is the area used for your primary production activity greater than 2 hectares?  <b>Note: Must not include land devoted to domestic use or land which is uncleared.</b>	YES	NO											
3. Do you carry on the primary production activity as a business?	YES	NO											
4. Do you keep business records for the primary production activity?	YES	NO											
5. Do you include this primary production business in your tax return?	YES	NO											
6. Are you classified as a Primary Producer by the Australian Taxation Office?	YES	NO											
7. What is your Property Identification Code? <b>(only applies to properties with livestock)</b> <table border="1" style="width: 100%; height: 30px;"> <tr> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> </tr> </table>													
8. What is your Australian Business Number (ABN)? <table border="1" style="width: 100%; height: 30px;"> <tr> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> <td style="width: 12.5%;"></td> </tr> </table>													
9. Is the farming enterprise registered for GST?	YES	NO											

<p><b>10.</b> Is this property subject to Single Farm Enterprise? (If yes list other relevant assessments).</p> <p>_____</p>	<b>YES</b>	<b>NO</b>
<p><b>11.</b> Did the applicant earn at least \$20,000 of assessable income for each of the past 3 income years from the primary production activity conducted on the property for which you are making this application? If 'NO', please provide additional relevant information in support your of application (attach additional sheet if necessary):</p> <p>_____</p>	<b>YES</b>	<b>NO</b>
<p><b>12.</b> Has the primary production activity conducted on the property for which the applicant is making a request to be classified as farm land produced a profit in at least three of the past five years? If 'NO', please provide additional relevant information in support your of application (attach additional sheet if necessary):</p> <p>_____</p>	<b>YES</b>	<b>NO</b>

**Form B** (to be completed with Form A by applicants who **have** a registered accountant)

**Applicant(s) Declaration:**

The information provided within this application for classification of my property as farm land is true and correct at the time of completion and this information is available for review if required.

Full Name: \_\_\_\_\_ Full Name: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_ Signature: \_\_\_\_\_

Date: \_\_\_\_\_ Date: \_\_\_\_\_

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**Registered Accountant Verification Statement:**

I \_\_\_\_\_  
Full name (block letters please)

Of \_\_\_\_\_  
Name of Accounting Firm

Address: \_\_\_\_\_

Verify that the information provided within this application for:

client(s) \_\_\_\_\_  
Insert client(s) name(s)

in relation to the property located at \_\_\_\_\_

is true and correct at the time of completion and this information is available for review if required.

Signature: \_\_\_\_\_ Telephone Number: \_\_\_\_\_

Date: \_\_\_\_\_

**Form C** (to be completed with Form A if you DO NOT attend a registered accountant)

**Statutory Declaration**

I \_\_\_\_\_  
Full name (block letters please)

Of \_\_\_\_\_  
Full address

do solemnly and sincerely declare that:  
The information provided within this application for classification of my property as farm land is true and correct at the time of completion and that this information is available for review if required.

**I acknowledge that this declaration is true and correct, and I make it with the understanding and belief that a person who makes a false declaration is liable to the penalties of perjury.**

Declared at \_\_\_\_\_

In the State of Victoria, this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_

\_\_\_\_\_  
Signature of person making this declaration  
(To be signed in front of an authorised witness)

Before me \_\_\_\_\_  
(Signature of authorised witness)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**The authorized witness must print or stamp his or her name, address, and title under section 107A of the Evidence Act 2008 [Vic] (e.g. Justice of the Peace, Pharmacist, Police Officer, Court Registrar, Bank Manager, Medical Practitioner, Dentist etc.)**