



Units surcharge to be tested in court

by Fiona Hamilton
council reporter

A GOLD Coast valuer will challenge the council's controversial rates rise in court, claiming it has no basis in law.

Iain Herriot, of Herriots Valuers, claimed the units surcharge was 'fundamentally flawed and unlawful'.

He said the council would have needed to hire 15 valuers for two years to conduct an assessment of every unit across the Gold Coast if its charge was to be 'fair and equitable'.

"I don't object to their capability to strike a reasonable fee," he said, "but the process is flawed, I don't think there has been an objective analysis."

He claimed that under the Lands Act, it was also illegal to enforce rates rises greater than 20 per cent.

His comments came after Gold Coast ratepayers gathered en masse last week to complain about rates bills which soared by up to 200 per cent.

Finance chairman Rob Molhoek was heckled and booed by about 200 elderly residents, angry about the council's slug on units.

On top of a general rates rise and an increase in levies, this year's budget included a surcharge on units of between 5 and 40 per cent, depending on level and floor size.

Many unit owners were hit by a

double whammy because the threshold for paying the minimum general rate was lowered to an unimproved capital value of just \$100,000.

As a result, many unit owners on low levels received bills with higher rates in the dollar than their counterparts in houses of similar value.

Cr Molhoek has since called for an overhaul of the new system, admitting the 'devil was in the detail'.

Councillors will hold a workshop to examine all complaints from ratepayers to determine which categories have been worst affected.

However, Cr Molhoek denied the council's charges were illegal.

"We've had legal advice and checked with the LGAQ (Local Government Association of Queensland), we've checked the Act," he said.

"There's nothing inappropriate or illegal about what we've done."

Mr Herriot, who owns a Labrador level-three unit, said he would fight his rates notice in court after his bill was increased by \$1100, about 70 per cent.

"The council just does not have the authority at law to raise this levy, under the provisions of the Local Government Act," he said.

"The first ratepayer that contests the levy will be successful. "Molhoek's stuffed up big time."

Mr Herriot said the test was 'independence and objectivity'.

"They are way offline," he said.