

19<sup>th</sup> August 2019

Regards: Local Government Legislation Review

Dear Sir,

I'm writing this email in regards to your review of your Local Government Legislation Review.

In the first instance I'll provide the solutions to the problem:

1. Wind up all councils / so called Local Government, operations and activities in Tasmania and manage all their activities by our state government. End rates charges!
2. Immediately cancel any outstanding rates and refund all current rates paid. It's likely the charges are illegal anyway, lets just hope all the good citizens don't ask for all their money back and pursue the State. Theft is illegal, even when it's the council or the state. The people need to know.

The problem:

3. So call local government / Councils are a complete wrought. They are calculating and charging unjustifiable punitive taxes upon the good citizens & businesses of Tasmania and then wasting our money. It's most likely illegal.
4. I was alerted to this problem when I took over the Avebury Nickel Mine and the West Coast Council sought to charge me 92% of the OVG's estimated potential gross income for the leased area. This was nothing more than a punitive money grab by the WCC against my company. I discussed this with the WCC and they offered no compromise or relief. They didn't care if it sent me broke or destroyed the employment of citizens or the restart of the project. After this I realised the depth of the problem.
5. Essentially the OVG calculates what he thinks the rentable value of a property might be. This may have no regard to the real rentable value of the premises. In my case he has said the rentable value of my premises is over \$400,000 p/a. Of course I actually receive no rentable value nor is it rentable or able to be rented. So the valuation is rubbish & foolhardy. I challenged the valuation many times but the OVG won't change the valuation. The problem then is that the WCC charge me 92% of the rentable value, that being 92% of what they perceive my gross income should be in rates. **How could any business survive when they have to pay 92% of their gross income in rates?** Of course they can't. How can that be legal? Clearly this is death to my business and all those whom work for me. So the end result is that the state loses all round. So does the greedy council & all those looking for jobs. Opportunities lost. What idiot allowed this situation to evolve? Why hasn't the state government fixed it? Why doesn't the PM fix it? Don't they want investment or jobs?
6. I then thought to look at all the other rates in the state and see how they are calculated and where the money goes. I realise many things:
  - a. Local Councils are not government and have no legal right to calculate and charge taxes in the way that they do. It's little more than illegal grand theft!
  - b. Councils don't have the legal right to charge punitive taxes in the way that they do.
  - c. Councils force recovery illegally and if you don't pay they steal your property for taxes they shouldn't be charging in the first place.
  - d. I have many properties in Tasmania and several mining leases. Each council charges a different tax rate on different properties. For example, whereas the Circular Head Council charges say 7% of the OVG estimated gross revenue in Rates Tax on my

mining lease, the Launceston Council may charge 12% and the WCC charge 92%.

Although all these taxes may be excessive, the WCC punitive rates tax is DEATH!

7. I've highlighted these issues to both sides of Politics from the PM down, no one seems to care, it's not their business or their job. So what to do? Seems the only alternative is to shut down all business in Tasmania or fight. How can you invest in business when **Councils have the right to take what ever percentage of your gross income they like. That is the case under the current legislation as it is enforced in Tasmania today by the government and the courts!**

This letter outlines the main problem with Councils and the act in Tasmania and the solution. If there is not a solution to this massive problem very soon then it will likely be the end of my businesses in this state and all the investment & employment it would have created.

The Treasurer, Mr Peter Gutwein, had the right idea, get rid of all councils. That would be a start! Stop over taxing the citizens of Tasmania, next step.

If anyone cares for more information they can contact me.

Kindest regards

Geoffrey Summers. (CEO & Chairman)

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