



## How much has the value of the city increased?

The results of the revaluation are summarised below.

Main categories	Capital value change
Farming	36.6%
Lifestyle	29.8%
Forestry	39.7%
Residential	31.8%
Commercial	16.9%
Industrial	38.7%
Other	24.9%
Utilities	12.8%
Total change (or average)	30.3%

## What does this mean for me?

The increase in the capital values of properties in the residential sector is 31.8%. This is due to the high demand for residential properties throughout New Zealand.

If the capital value of your property has gone up by more than the average of the city, then your proportion of the general rate will go up. If your property's value has increased by less than the average, then your proportion will go down.

However, it is important to remember that even if the capital value of your home has increased by more than 32%, that doesn't mean your rates will also go up by 32%. The amount you pay is relative to the total value of the city.

## What will my new rates bill be?

As we prepare the Annual Plan for 2020 – 2021, we will publish indicative rates based on the budget for that year.

## Where can I find more information?

Please visit our website  
**[www.huttcity.govt.nz/revaluation2019](http://www.huttcity.govt.nz/revaluation2019)**

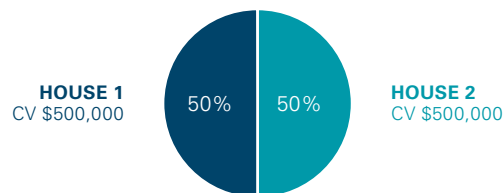


## How does the capital value rating system work?

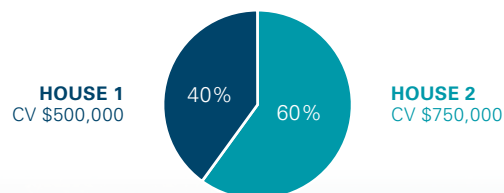
At a very basic level, there are three steps:

- STEP 1** Council works out how much income is needed from rates in order to run the city.
- STEP 2** Some rates are for specific things such as water supply. These are called targeted rates and are charged only to the properties that use these services. Targeted rates are not calculated using the capital value method.
- STEP 3** The 'general rate' rate money is collected to fund things that benefit the general good of the city, like roads and parks maintenance. The general rate amount is then spread across the city in amounts proportional to each property's capital value compared to the total value of the city.

For example, if there were two properties in the city each worth \$500,000, then each house would pay 50% of the general rates required to run the city. This is because each house makes up half of the total value of the city.



If, when they are revalued, house 1 is still worth \$500,000 but house 2 is now worth \$750,000, then they would no longer pay the same amount of rates. House 1 would pay less than 50%, and house 2 would pay more, because each pay a share of the rates in proportion to the value of their house compared to the value of the city as a whole. In this case 40% and 60%.



## Will the revaluation affect the rates I pay?

If you think of the Council's rates income as a pie, the size of the pie does not get any bigger as a result of the revaluation. However, a ratepayer's slice of pie might get bigger or smaller depending on how their property value has changed in relation to the average change of the city. Any effect of the revaluation on the rates you pay will not take effect until 1 July 2020.

## What else affects the rates that I pay?

We are anticipating that the amount of rates income needed to run the city will increase. This amount will be finalised through the Annual Plan process next year. The city is growing, and by the time we apply the revaluation figures from 1 July 2020, there will be more properties to divide the pie across.

