

**VALUATION OF LAND (SUBDIVISION) AMENDMENT BILL  
1989**

**NEW SOUTH WALES**



**EXPLANATORY NOTE**

**(This Explanatory Note relates to this Bill as introduced into Parliament)**

The object of this Bill is to amend the Valuation of Land Act 1916:

- (a) to enable the Valuer-General to separately value each lot in a subdivision on the first disposal (by sale or other conveyance or by resumption) of any land in the subdivision; and
- (b) to provide for the determination of allowances to be deducted from valuations by rating or taxing authorities where separately valued lots remain in the original ownership.

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**Clause 1 specifies the short title of the proposed Act.**

**Clause 2 provides that the proposed Act commences on a day or days to be appointed by proclamation.**

**Clause 3 is a formal provision that gives effect to the Schedule of amendments to the Principal Act.**

**SCHEDULE 1 - AMENDMENTS**

**Separate valuations on subdivision**

Schedule 1 (6) inserts proposed section 27B (Lots in subdivisions to be separately valued). The proposed section requires the Valuer-General (except where otherwise provided) to separately value all lots in a deposited plan, in which one person owns all the lots, on the first sale or other conveyance, or resumption, of one or more lots in the deposited plan. The Valuer-General may value remaining lots that adjoin each

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other in one valuation and must include lots worked as part of the same agricultural or pastoral holding in one valuation. On a subsequent sale or other conveyance, or resumption, of lots included in one valuation under the proposed section, fresh valuations are to be made of the lots in accordance with the proposed section. The valuations under the proposed section are the valuations to be used for rating or taxing purposes.

Schedule 1 (1) inserts into section 4 (1) a definition of "deposited plan".

Schedule 1 (3) amends section 14A to make it clear that the base date for valuation of land valued under proposed section 27B will be related to the date of the sale or other conveyance or resumption which occasioned the valuation.

Schedule 1 (4) and (5) amend sections 26 and 27, respectively, to provide that those sections (which would otherwise require the land to be valued separately or included in one valuation) will not apply to land to which proposed section 27B applies.

### **Allowances for subdivision**

Schedule 1 (10) inserts the following proposed sections:

- . Section 58AB (Allowances for subdivision) provides for an allowance for subdivision to be noted on the valuation roll when a separate valuation of a lot is made under proposed section 27B. The amount of the allowance is to be calculated by apportioning to the lot a proportion of the amount by which the total land values of all the lots would have been reduced if, at the date of valuation, they had been sold to one person rather than separately.
- . Section 58AC (Allowances to be used by rating or taxing authorities) requires rating or taxing authorities to deduct the amount of the subdivision allowance from the land value of a lot before calculating a rate or tax
- . Section 58AD (Lapse of allowance) sets out the circumstances in which the allowance ceases.

Schedule 1 (2) and (8) make amendments consequential to the amendment made by Schedule 1 (10).

Schedule 1 (9) amends section 58 to make it clear that the allowance determined under that section may be deducted for rating or taxing purposes in addition to any other allowance determined under the Principal Act.

Schedule 1 (11) amends section 58D to apply provisions relating to the calculation of rating base factors to allowances determined under proposed section 58AB in the same way as they apply to other allowances determined under the Principal Act.

### **Objections**

Schedule 1 (7) amends section 34 to make it clear that, where an objection may be made under the Principal Act to an allowance, an apportionment factor or a rating base factor, an objection may be made that the amount of the allowance, apportionment factor or rating base factor is too high or too low.