



New South Wales

Valuation of Land Amendment Bill 2006

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The object of this Bill is to amend the *Valuation of Land Act 1916* (*the Principal Act*) so as to make further provision with respect to valuations under that Act. The Bill makes a number of minor amendments to the Principal Act, the effect of which is set out in the Outline of provisions below.

Outline of provisions

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on a day or days to be appointed by proclamation.

Clause 3 is a formal provision that gives effect to the amendments to the *Valuation of Land Act 1916* set out in Schedule 1.

Clause 4 is a formal provision for the repeal of the proposed Act after its effect is spent.

Schedule 1 Amendments

Schedule 1 [1] amends section 14A so as to enable the Valuer-General to make a new valuation of land, on his or her own initiative, at any time. At present, certain land can only be re-valued on the application of a rating or taxing authority.

Schedule 1 [2] amends section 14D (1) so as to remove a reference to certain conservation agreements under the *National Parks and Wildlife Act 1974*. Land the subject of such an agreement is not ratable, and therefore does not need to be valued.

Schedule 1 [3] amends section 14I so as to bring in to that section, and update, the definition of land that is *Crown lease restricted*. The current definition (contained in section 58F, which is to be repealed by Schedule 1 [12]) includes a number of obsolete references.

Schedule 1 [4] amends section 14K so as to ensure that, for the purpose of valuing land, assumptions that can be made about the manner in which other land may be used may also be made about the land being valued.

Schedule 1 [5] substitutes section 14M (which provides that allowances for profitable expenditure under Division 3 of Part 1B of the Principal Act are to be excluded in certain circumstances) so as to align its wording to that of section 14V (which provides that allowances for subdivision under Division 4 of Part 1B of the Principal Act are to be excluded in certain circumstances). The substituted section also precludes allowances for profitable expenditure for land where the person by whom the expenditure was incurred no longer owns the land.

Schedule 1 [6] substitutes section 14S (which defines *subdivider* for the purposes of Division 4 of Part 1B of the Principal Act) so as to ensure that where a number of allotments are together subdivided into new allotments the definition of *subdivider* will include each person who owned any one of the original allotments.

Schedule 1 [7] and [8] amend section 14V (which provides that allowances for subdivision under Division 4 of Part 1B of the Principal Act are to be excluded in certain circumstances) so as to preclude allowances for subdivision for land where the subdivider no longer owns the land.

Schedule 1 [9] substitutes sections 28 and 28A:

Proposed section 28 allows a single valuation to be made of any land or stratum that is situated in different districts, and provides for the apportionment of the value so obtained between the parts in each district. The current sections require separate valuations to be made of the different parts.

Proposed section 28A provides for the valuation of land of which part only is ratable or taxable. The current sections do not refer to land of which part only is taxable.

Schedule 1 [10] amends section 29 (3A) so as to remove the power of the Valuer-General to fix the time within which persons may object to a valuation. That power is inconsistent with section 35, which specifies the time for lodging an objection is 60 days.

Schedule 1 [11] amends section 29 so as to ensure that each person who makes an objection to a valuation of land must notify all other persons to whom a valuation notice is required to be given in relation to that land. At present, the owner of the land does not have such an obligation, and the persons who must be notified include all persons having an estate or interest in the land.

Schedule 1 [12] omits section 58F so as to omit provisions that currently require the Valuer-General to furnish certain persons with statements of land rating factors and improved rating factors. This information is redundant given the information that the Valuer-General is required to furnish under section 14I.

Schedule 1 [13] amends section 76 so as to authorise the Valuer-General to supply New South Wales public authorities with information about land valuations. The Valuer-General is already authorised to supply such information to Commonwealth public authorities.

Schedule 1 [14] amends clause 1 of Schedule 2 so as to enable savings and transitional regulations to be made in connection with the proposed Act.

Schedule 1 [15] inserts a new Part 5 into Schedule 2 so as to enact specific savings and transitional provisions in connection with the proposed Act.

First print



New South Wales

Valuation of Land Amendment Bill 2006

Contents

	Page
1 Name of Act	2
2 Commencement	2
3 Amendment of Valuation of Land Act 1916 No 2	2
4 Repeal of Act	2
Schedule 1 Amendments	3



New South Wales

Valuation of Land Amendment Bill 2006

No. , 2006

A Bill for

An Act to amend the *Valuation of Land Act 1916* so as to make further provision with respect to valuations under that Act; and for other purposes.

The Legislature of New South Wales enacts:	1
1 Name of Act	2
This Act is the <i>Valuation of Land Amendment Act 2006</i> .	3
2 Commencement	4
This Act commences on a day or days to be appointed by proclamation.	5
3 Amendment of Valuation of Land Act 1916 No 2	6
The <i>Valuation of Land Act 1916</i> is amended as set out in Schedule 1.	7
4 Repeal of Act	8
(1) This Act is repealed on the day following the day on which all of the provisions of this Act have commenced.	9 10
(2) The repeal of this Act does not, because of the operation of section 30 of the <i>Interpretation Act 1987</i> , affect any amendment made by this Act.	11 12

Schedule 1	Amendments	1
	(Section 3)	2
[1]	Section 14A Valuer-General to ascertain land values	3
	Omit section 14A (2) and (3). Insert instead:	4
	(2) The Valuer-General may at any time value any parcel of land, either on his or her own initiative or:	5
	(a) in the case of lands of the Crown, on the application of the public authority by or on whose behalf the land is held, or	6
	(b) in the case of land within the Western Division (including land referred to in paragraph (a)), on the application of the Western Lands Commissioner, or	7
	(c) in the case of land within the area of a rating or taxing authority (including land referred to in paragraph (a) or (b)), on the application of that authority.	8
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[2]	Section 14D Protected archaeological areas, wildlife districts, wildlife refuges and game reserves	15
	Omit “or a conservation agreement under Division 7 of Part 4 of that Act,” from section 14D (1).	16
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[3]	Section 14I Valuing Crown lease restricted land	19
	Omit section 14I (2). Insert instead:	20
	(2) Land is <i>Crown lease restricted</i> if it is subject to any of the following:	21
	(a) a lease or licence, or a permit to enclose a road or watercourse, granted under Part 4 of the <i>Crown Lands Act 1989</i> ,	22
	(b) an incomplete purchase or permissive occupancy, or a perpetual lease, special lease or term lease, within the meaning of the <i>Crown Lands (Continued Tenures) Act 1989</i> ,	23
	(c) a lease under the <i>Forestry Act 1916</i> ,	24
	(d) in the case of lands of the Crown, a lease of a class or description prescribed by the regulations.	25
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[4]	Section 14K Assumption as to physical condition and manner of use of land	4
	Omit “any other land” wherever occurring in section 14K (1) (b) and (2) (b).	5
	Insert instead “the land, and any other land.”	6
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[5] Section 14M	8
Omit the section. Insert instead:	9
14M Exclusion of allowances in certain circumstances	10
(1) For the purposes of the <i>Land Tax Management Act 1956</i> , the land value of a parcel of land is taken not to include an allowance for profitable expenditure in respect of any land tax year:	11
(a) if the owner of the land was not the owner of the land when the profitable expenditure was incurred, or	12
(b) if the profitable expenditure was incurred by an occupier or lessee of the land, and the occupancy or lease has been transferred or surrendered or has expired since that expenditure was incurred, or	13
(c) in the case of land zoned or otherwise designated for use for any purpose (other than rural or non-urban purposes) under a planning instrument, if any building or structure has been erected or any works have been carried out on the land, or	14
(d) if the profitable expenditure was incurred more than 15 years before the date by reference to which the land value is being determined, or	15
(e) if, as at 31 December before the beginning of that year, the parcel of land was no longer owned by the person by whom the profitable expenditure was incurred,	16
and land tax under that Act is to be assessed and levied accordingly.	17
(2) For the purposes of the <i>Local Government Act 1993</i> , the land value of a parcel of land is taken not to include an allowance for profitable expenditure in respect of any rating year:	18
(a) if the owner of the land was not the owner of the land when the profitable expenditure was incurred, or	19
(b) if the profitable expenditure was incurred by an occupier or lessee of the land, and the occupancy or lease has been transferred or surrendered or has expired since that expenditure was incurred, or	20
(c) in the case of land zoned or otherwise designated for use for any purpose (other than rural or non-urban purposes) under a planning instrument, if any building or structure has been erected or any works have been carried out on the land, or	21
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	(d) if the profitable expenditure was incurred more than 15 years before the date by reference to which the land value is being determined, or	17 18 19
	(e) if, as at 30 June before the beginning of that year, the parcel of land was no longer owned by the person by whom the profitable expenditure was incurred,	20 21 22
	and rates and charges under that Act are to be assessed and levied accordingly.	23 24
[6]	Section 14S	25
	Omit the section. Insert instead:	26
	14S Definition of “subdivider”	27
	In this Division, <i>subdivider</i> , in relation to a lot in a deposited plan, means:	28 29
	(a) the person who, either alone or with any other person, owned the whole of the land comprising the lots in the plan immediately before registration of the plan, or	1 2 3
	(b) if, immediately before registration of the plan, the land referred to in paragraph (a) comprised two or more parcels, any person who, either alone or with any other person, owned the whole of the land comprising any one or more of those parcels.	4 5 6 7 8
[7]	Section 14V Exclusion of subdivision allowances in certain circumstances	9 10
	Insert at the end of section 14V (1) (b):	11
	or	12
	(c) if, as at 31 December before the beginning of that year, the parcel of land was no longer owned by the subdivider,	13 14
[8]	Section 14V (2) (c)	15
	Insert at the end of section 14V (2) (b):	16
	or	17
	(c) if, as at 30 June before the beginning of that year, the parcel of land was no longer owned by the subdivider,	18 19

[9] Sections 28 and 28A	1
Omit the sections. Insert instead:	2
28 Land or stratum in two or more districts	3
(1) If different parts of any land or stratum in respect of which one valuation would otherwise be made under this Act are situated in different districts, the value of the land or stratum is to be apportioned so as to show the value of each part.	4 5 6 7
(2) The value of each part is to bear the same proportion to the value of the whole as the area of each part bears to the area of the whole.	8 9
28A Land of which part only is ratable or taxable	10
If land in respect of which one valuation would otherwise be made under this Act is ratable or taxable as to part only, the part that is ratable or taxable is to be separately valued.	11 12 13
[10] Section 29 Notice of valuations to owner	14
Omit “within such time as is stated in such notice” from section 29 (3A).	15
[11] Section 29 (3B)	16
Omit the subsection. Insert instead:	17
(3B) A person who objects to a valuation must notify each other person to whom notice of the valuation is required to be given under subsection (1):	18 19 20
(a) of the fact that he or she has made such an objection, and	21
(b) of the reasons for which he or she has made the objection.	22
[12] Section 58F Land rating factors—certain classes of lease from the Crown	23 24
Omit the section.	25
[13] Section 76 Copies of entries to be supplied	26
Insert before section 76 (2):	27
(1) The Valuer-General may supply information as to valuations to any public authority (including any Government department) in the manner and to the extent and on the terms mutually agreed upon between the Valuer-General and the public authority or Department Head.	1 2 3 4 5

[14] Schedule 2 Savings, transitional and other provisions	1
Insert at the end of clause 1 (1):	2
<i>Valuation of Land Amendment Act 2006</i>	3
[15] Schedule 2, Part 5	4
Insert after Part 4:	5
Part 5 Provisions consequent on enactment of Valuation of Land Amendment Act 2006	6 7
15 Definition	8
In this Part, <i>the 2006 amending Act</i> means the <i>Valuation of Land Amendment Act 2006</i> .	9 10
16 Retrospective valuations	11
An amendment made by the 2006 amending Act to this Act does not apply to any valuation of land that is made as at a date occurring before the commencement of that amendment.	12 13 14
17 Notice of objections	15
Section 29 (3B), as amended by the 2006 amending Act, does not apply to any objection to a valuation of land that had been made by an owner of the freehold estate in the land at any time before that subsection was so amended.	16 17 18 19