



NORTHERN TERRITORY OF AUSTRALIA

No. 15 of 1987

AN ACT

to amend the *Valuation of Land Act*

[Assented to 25 June, 1987]

BE it enacted by the Legislative Assembly of the Northern Territory of Australia, with the assent as provided by the *Northern Territory (Self-Government) Act 1978* of the Commonwealth, as follows:

1. SHORT TITLE

This Act may be cited as the *Valuation of Land Amendment Act 1987*.

2. COMMENCEMENT

(1) Sections 1 and 2 shall come into operation on the day on which the Administrator's assent to this Act is declared.

(2) The remaining provisions of this Act shall come into operation on a date to be fixed by the Administrator by notice in the *Gazette*.

3. PRINCIPAL ACT

The *Valuation of Land Act* is in this Act referred to as the Principal Act.

4. INTERPRETATION

Section 4 of the Principal Act is amended -

(a) by omitting the definition of "Crown Land" and inserting the following:

"'Board' means a Valuation Board of Review established under section 20G;

"'Chairman' means the Chairman of the Panel appointed under section 20C;"

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- (b) by omitting the definition of "grazing licence" and substituting the following:

"'gross annual rental' means the fair rental that a property may be expected to be let at from year to year less statutory outgoings;"

- (c) by inserting after the definition of "improvements" the following:

"'land' includes a stratum;"

- (d) by omitting the definition of "mining lease";

- (e) by inserting after the definition of "owner" the following:

"'Panel' means the Valuation Board of Review Panel established under section 20B;"

- (f) by omitting the definitions of "pastoral lease" and "pastoral homestead lease";

- (g) by inserting after the definition of "site improvements" the following:

"'statutory outgoings' means, in relation to land, any rates imposed by a rating authority and any water, sewerage and other rates and taxes applying to the land during the 12 month period immediately preceding a determination of the annual value of the land;

"'stratum' means a part of land consisting of a space or layer below, on or above the surface of the land, or partly below and partly above the surface of the land, defined or definable by reference to improvements or otherwise, whether some of the dimensions of the space or layer are unlimited or whether all the dimensions are limited, but refers only to a stratum ratable or taxable under an Act;"

- (h) by inserting after the definition of "the Tribunal" the following:

"'valuation roll' means a valuation roll prepared and maintained under section 15;" and

- (j) by omitting from the definition of "valuer" the word "Commonwealth" and substituting "Australian".

5. NEW SECTIONS

The Principal Act is amended by inserting in Part IV, before section 9, the following:

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"8. IMPROVED CAPITAL VALUE

"(1) For the purposes of this Act, the improved capital value of land (other than a stratum) is the sum which the fee simple of the land might be expected to realize if offered for sale on such reasonable terms and conditions as a seller in good faith would require.

"(2) In determining the improved capital value of land under subsection (1) which are premises occupied for trade, business or manufacturing purposes, such value shall not include the value of plant, machines, tools or other appliances which are not fixed to the premises or which are only so fixed that they may be removed without causing structural damage to the premises.

"8A. ANNUAL VALUE

"(1) For the purposes of this Act, the annual value of land (other than a stratum) is -

- (a) the gross annual rental of the property; or
- (b) 5% of the improved capital value of the land,

whichever is the greater.

"(2) In determining the annual value of land under subsection (1) which are premises occupied for trade, business or manufacturing purposes, such value shall not include the value of plant, machines, tools or other appliances which are not fixed to the premises or which are only so fixed that they may be removed without causing structural damage to the premises.

"(3) In determining the annual value of land under subsection (1) it shall be assumed that the land with the improvements, if any thereon, is not subject to a determination in relation to fair rent under the *Tenancy Act*.

"8B. IMPROVED CAPITAL VALUE OF STRATUM

"(1) For the purposes of this Act, the improved capital value of a stratum is the sum which the fee simple of the stratum might be expected to realize if offered for sale on such reasonable terms and conditions as a seller in good faith would require.

"(2) In determining the improved capital value of a stratum under subsection (1) which are premises occupied for trade, business or manufacturing purposes, such value shall not include the value of plant, machines, tools or other appliances which are not fixed to the premises or which are only so fixed that they may be removed without causing structural damage to the premises.

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"8C. UNIMPROVED CAPITAL VALUE OF STRATUM

"(1) For the purposes of this Act, the unimproved capital value of a stratum is the sum which the fee simple of the stratum might be expected to realize if offered for sale on such reasonable terms and conditions as a seller in good faith would require assuming that -

- (a) the improvements, if any, which form the walls, floors and ceilings containing the stratum and made or acquired by the owner or his predecessor in title had not been made, provided that where the stratum is wholly or partly in an excavation it shall be assumed that the excavation of the stratum had been made;
- (b) means of access to the stratum may be used, and may continue to be used, as they were being used, or could be used, on the date to which the valuation relates; and
- (c) lands outside the stratum, including land of which the stratum forms part, are in the state and condition existing at the date to which the valuation relates, and, in particular, without limiting the generality of this assumption, that where the stratum consists partly of a building, structure or work or is portion of a building, structure or work, such building, structure or work, to the extent that it is outside the stratum, had been made.

"(2) In determining the unimproved capital value of a stratum under subsection (1) it shall be assumed that -

- (a) the stratum may be used, or may continue to be used, for any purpose for which it was being used, or for which it could be used at the date to which the valuation relates; and
- (b) such improvements may be continued or made in the stratum as may be required in order to enable the stratum to continue to be so used,

but nothing in this subsection prevents regard being had, in determining that value, to other purposes for which the stratum may be used on the assumptions set forth in subsection (1).

"8D. ANNUAL VALUE OF STRATUM

"(1) The annual value of a stratum is -

- (a) the gross annual rental of the stratum; or

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(b) 5% of the improved capital value of the stratum, whichever is the greater.

"(2) In determining the annual value of a stratum under subsection (1) which are premises occupied for trade, business or manufacturing purposes, such value shall not include the value of plant, machines, tools or other appliances which are not fixed to the premises or which are only so fixed that they may be removed without causing structural damage to the premises.

"(3) In determining the annual value of a stratum under subsection (1) it shall be assumed that the stratum with the improvements, if any therein, is not subject to a determination in relation to fair rent under the *Tenancy Act*."

6. UNIMPROVED CAPITAL VALUE

Section 9 of the Principal Act is amended -

- (a) by omitting from subsection (1) "the unimproved capital value of land is" and substituting "the unimproved capital value of land (other than a stratum) is";
- (b) by omitting from subsection (1)(b) "improved value" and substituting "improved capital value";
- (c) by omitting from subsection (2) "of any land" and substituting "of any land under that subsection";
- (d) by omitting from subsection (3) "For the purposes of this Act" and substituting "For the purposes of this section";
- (e) by omitting from subsection (3) "improved value" and substituting "improved capital value"; and
- (f) by omitting subsection (4).

7. NEW SECTIONS

The Principal Act is amended by inserting after section 10 the following:

"10A. RATING AUTHORITY MAY REQUEST VALUATION

"(1) A rating authority may, by notice in writing to the Valuer-General, request him to cause a valuation to be made of -

- (a) the improved capital value;

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- (b) the annual value; or
 - (c) the unimproved capital value,
- of all or part of its ratable land.

"(2) A notice under subsection (1) shall specify -

- (a) the value to be determined; and
- (b) the ratable land in respect of which the valuation is required.

"(3) The Valuer-General on receiving a notice under subsection (1) may cause a valuation to be made of the land specified in the notice.

"(4) Where, after the Valuer-General has made a valuation of land in pursuance of this section (including this subsection) -

- (a) the land is subdivided;
- (b) a change is made in the boundaries of the land;
or
- (c) a change occurs in -
 - (i) the purpose for which the land may be used
or be continued to be used; or
 - (ii) an improvement on the land,

the Valuer-General shall, as soon as practicable, cause a further valuation of the land to be made.

"(5) A valuation under subsection (4) shall be made in accordance with the value as determined by the Valuer-General in the previous valuation.

"(6) The Valuer-General shall cause to be made a further valuation of land which is then ratable before the expiration of the period of 3 years after the making of each valuation under subsection (3) or under this subsection.

"(7) A valuation made under subsection (3) or (6) shall determine the value as at the date on which the valuation is made.

"(8) A valuation made under subsection (4) shall be the valuation as at the date on which the last valuation was made under subsection (3) or (6).

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"10B. SECTION 10 NO LONGER TO APPLY WHERE VALUATION MADE UNDER SECTION 10A

"Where the Valuer-General under section 10A(3) causes a valuation to be made of land and the land is land to which section 10 applies that section shall be deemed on and from the date of the valuation no longer to apply to or in relation to the land and all valuations of the land on and from that date shall be made in accordance with section 10A."

8. OTHER VALUATIONS

Section 11 of the Principal Act is amended by omitting from subsection (1) -

- (a) "The Valuer-General" and substituting "Subject to this Act, the Valuer-General"; and
- (b) "the Council for a municipality" and substituting "a rating authority".

9. EFFECT OF VALUATION

Section 13(1) of the Principal Act is amended -

- (a) by omitting "the unimproved capital value" (wherever occurring) and substituting "the unimproved capital value, the improved capital value or the annual value"; and
- (b) by omitting "subsection (3)" and substituting "subsection (2)".

10. VALUATION ROLLS

Section 15 of the Principal Act is amended -

- (a) by omitting subsection (3)(c) and (d) and substituting the following:

"(c) the unimproved capital value, the improved capital value or the annual value determined by, and as at the date of, the last valuation made under section 10 or 10A; and

- (d) the value of prescribed improvements on or appertaining to land as determined by, and as at the date of, the last valuation made under this Act,

and such other particulars, if any, as the Valuer-General determines.";

- (b) by omitting from subsection (4) "section 10(1) or (3)" and substituting "this Act";
- (c) by omitting from subsection (5) "section 10(2)" and substituting "section 10(2) or 10A(4)"; and

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- (d) by omitting from subsection (6) "Part V or VI" and substituting "Part V, VA or VI".

11. NEW SECTION

The Principal Act is amended by inserting after section 15 the following:

"15A. ERROR IN VALUATION ROLL

"Where there is found to be an error or omission in a valuation roll, the Valuer-General shall -

- (a) give notice in writing to the owner of the land of the error or omission; and
- (b) correct the error or omission."

12. NOTICE OF VALUATIONS

Section 16 of the Principal Act is amended by omitting subsection (1) and substituting the following:

"(1) The Valuer-General shall, as soon as practicable after he has made a valuation of the unimproved capital value, the improved capital value or the annual value of any land, or of the prescribed improvements on or appertaining to any land, or after a variation of such a valuation has been made by the Board or the Tribunal, cause notice of the valuation or variation to be given to the owner of the land."

13. NEW SECTION

The Principal Act is amended by inserting after section 17 the following:

"17A. COST OF VALUATIONS

"(1) Where the Valuer-General causes a valuation to be made of land, the cost of making the valuation is a debt due and payable to the Territory by, where made under -

- (a) section 11(1), the person, rating authority, public authority or local governing body requiring the valuation; or
- (b) sections 10 or 10A, the rating authority in respect of the land.

"(2) The Minister may, in respect of a valuation carried out under this Act, exempt a person, authority or body from the application of subsection (1) in respect of all or a part of the cost of the valuation."

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14. OBJECTION TO VALUATIONS

Section 18 of the Principal Act is amended -

- (a) by omitting "Council" (twice occurring) and substituting "rating authority"; and
- (b) by omitting "within 60 days" and substituting "within 30 days".

15. PRESCRIBED GROUNDS OF OBJECTION

Section 19 of the Principal Act is amended by omitting "of land or of the prescribed improvements on or appertaining to any such land are" and substituting ", the improved capital value or the annual value of any land, or of the prescribed improvements on or appertaining to any land are".

16. NEW SECTIONS

The Principal Act is amended by inserting after section 20 the following:

"20A. OBJECTION TO DECISION OF VALUER-GENERAL

"(1) Where a notice is given under section 20 to a person or rating authority, the person or rating authority may, within 30 days after the date of the posting of the notice, send or post to, or lodge with, the Chairman an objection in writing to the decision of the Valuer-General.

"(2) An objection under subsection (1) shall be accompanied by a fee of \$20 or such other amount as is determined by the Minister and notified in the *Gazette*.

"PART VA - VALUATION BOARD OF REVIEW

*"Division 1 - Establishment of Valuation
Board of Review Panel*

"20B. ESTABLISHMENT OF PANEL

"(1) There shall be a panel, to be known as the Valuation Board of Review Panel, consisting of not less than 9 persons appointed by the Minister.

"(2) A person shall not be appointed under subsection (1) to the Panel unless he is -

- (a) a valuer;
- (b) a member of the Real Estate Institute of Australia;
- (c) a legal practitioner; or

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(d) a person who holds qualifications which the Minister considers equivalent to those specified in paragraph (b).

"(3) Not less than 2 members of the Panel shall be legal practitioners.

"20C. APPOINTMENT OF CHAIRMAN AND DEPUTY CHAIRMAN OF PANEL

"(1) Subject to subsection (2), the Minister shall appoint one member of the Panel to be Chairman, and one member of the Panel to be Deputy Chairman, of the Panel.

"(2) A person shall not be appointed under subsection (1) unless he is a fellow or associate of the Australian Institute of Valuers.

"(3) The Deputy Chairman shall perform the duties of the Chairman during the absence, or inability to act, of the Chairman.

"20D. TERM OF APPOINTMENT

"A member of the Panel holds office for a term of 6 years from the date of his appointment and is eligible to be re-appointed on the expiration of that term.

"20E. RESIGNATION OF MEMBERS OF PANEL

"A member of the Panel may resign his office by writing signed by him and delivered to the Minister.

"20F. DISMISSAL OF MEMBERS OF PANEL

"(1) The Minister may terminate the appointment of a member of the Panel for inability, inefficiency, misbehaviour or physical or mental incapacity.

"(2) Where a member of the Panel -

(a) becomes bankrupt, applies to take the benefit of a law for the relief of bankrupt or insolvent debtors, compounds with his creditors or makes an assignment of his remuneration for their benefit; or

(b) is convicted, whether in the Territory or elsewhere, of an offence punishable by imprisonment for 12 months or longer or of any offence which, in the opinion of the Minister, renders him unfit to be a member of the Panel,

the Minister shall terminate the appointment of that member.

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*"Division 2 - Establishment of
Valuation Board of Review*

"20G. ESTABLISHMENT OF BOARD

"(1) Where an objection is received by the Chairman under section 20A, the objection shall be considered by a Valuation Board of Review established under this section for the purposes of considering the objection.

"(2) The Chairman shall, as soon as practicable after receiving an objection under section 20A, select 3 members of the Panel, which selection may include himself, to be the members of the Board.

"(3) The Chairman shall -

(a) where he is a member of the Board, preside at;
or

(b) where he is not a member of the Board, appoint one of the members selected under subsection (2) who is a valuer to preside at,

the sittings of the Board.

"20H. HEARING OF BOARD

"(1) A Board shall, not later than 60 days after the date of the receipt of the objection by the Chairman, or such further period as is agreed by the objector, consider the objection.

"(2) A Board, after considering an objection under subsection (1), may disallow or allow the objection wholly or in part, and shall give to the objector notice in writing of its decision in respect of the objection.

"(3) For the purposes of this section, a Board has all the powers and functions of the Valuer-General in making valuations under this Act, and valuations of a Board and its decisions shall for the purposes of this Act (other than the purposes of objections to those valuations and review of those decisions) be deemed to be valuations of the Valuer-General.

"(4) A decision of a Board under subsection (1) is binding on the parties to the objection unless it is varied or amended in accordance with a decision of the Tribunal under Part VI."

"20J. PRACTICE AND PROCEDURE

"(1) A Board, in carrying out its functions under this Act, is not bound -

(a) by the rule of evidence and may inform itself on any matter in such manner as it thinks fit; or

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- (b) to act in a formal manner and may act without regard to legal forms and technicalities.

"(2) The parties appearing before a Board may be represented by -

- (a) a legal practitioner;
(b) a valuer; or
(c) a member of the Real Estate Institute of Australia.

"(3) A person referred to in subsection (2) appearing before a Board has the same protection and immunity as a legal practitioner has in appearing for a party in proceedings before the Supreme Court.

"(4) A Board in relation to a hearing before it shall not make an order as to costs between the parties."

"20K. POWER OF BOARD TO SUMMON WITNESSES

"(1) A Board may, for the purpose of deciding an objection under this Act -

- (a) summon witnesses; and
(b) require the production of documents, books and papers.

"(2) A person who, when summoned under this section to give evidence or produce documents, books or papers, fails to attend before the Board at the time appointed in the summons, or to give evidence or produce documents, books or papers, is guilty of a regulatory offence.

Penalty: \$100.

"20M. PROTECTION OF MEMBERS OF BOARD

"No action or proceeding, civil or criminal, shall lie against a member of a Board for or in respect of an act or thing done or omitted to be done in good faith by -

- (a) him in his capacity as a member of the Board; or
(b) the Board,

in the exercise or purported exercise of a power, or the performance or purported performance of a function, under this Act."

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17. APPLICATION FOR REVIEW

Section 25 of the Principal Act is amended -

- (a) by omitting subsection (1) and substituting the following:

"(1) An objector who is dissatisfied with the decision of a Board on his objection may, within 30 days after the date of posting of the notice of the decision, by writing, request the Board to refer the decision to the Tribunal for review."; and

- (b) by omitting from subsections (2) and (4) "the Valuer-General" and substituting "the Board".

18. REVIEW

Section 26 of the Principal Act is amended -

- (a) by omitting from subsection (1) "the Valuer-General" and substituting "a Board";

- (b) by omitting from subsection (3) "the Valuer-General" (first occurring) and substituting "a Board"; and

- (c) by omitting subsection (3)(c) and substituting the following:

"(c) if the land is ratable land - the rating authority in respect of the land,".

19. CERTIFICATE AS TO COSTS

Section 30 of the Principal Act is amended by omitting from subsection (2) "the Valuer-General" and substituting "the Territory".

20. KEEPING AND PUBLIC INSPECTION OF VALUATION ROLLS

Section 40A of the Principal Act is amended by omitting "The Council of a municipality" and substituting "A rating authority".

21. POWERS OF VALUER-GENERAL

Section 42 of the Principal Act is amended by adding after subsection (2) the following:

"(3) The Valuer-General may, for the purposes of this section, serve on the owner of any land such forms as may be prescribed to be completed and returned to the Valuer-General within such time as the Valuer-General determines and specifies on the forms.

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"(4) The Valuer-General may, if he thinks fit, require a person by whom a form is completed and returned under subsection (3) to verify the contents by statutory declaration.

"(5) A person shall not fail to complete and return a form served on him under subsection (3) or return a form containing information that is false or misleading in a material particular or fail to comply with a requirement made under subsection (4).

Penalty: \$200."

22. CHANGE OF OWNERSHIP OF LAND NOT TO AFFECT PENDING OBJECTIONS OR REFERENCES

Section 45 of the Principal Act is amended -

- (a) by omitting "unimproved capital value" and substituting "unimproved capital value, the improved capital value or the annual value"; and
 - (b) by omitting from paragraphs (a) and (b) "the Tribunal" and substituting "the Board or Tribunal".
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