



New South Wales

Valuation of Land Amendment Bill 2014

Explanatory note

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

Overview of Bill

The objects of this Bill are:

- (a) to reverse the effect of the decision of the Land and Environment Court in *Fivex Pty Ltd v Valuer-General* [2014] NSWLEC 27 by making it clear that, in determining the land value of land, the assumptions required to be made about the continuance of the land's present use and the improvements that may be continued or made to allow the present use to continue must be made in every case and not just in a case where the present use represents a higher order of use than other uses to which the land may be put, and
- (b) to make it clear that it is to be assumed that the improvements required in order to enable the present use of land to continue include the improvements presently on the land.

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 the date of assent to the proposed Act.

Schedule 1 Amendment of Valuation of Land Act 1916 No 2

Schedule 1 [1] amends section 6A (Land value) of the *Valuation of Land Act 1916 (the Act)* to achieve the object set out in paragraph (b) of the Overview.

Schedule 1 [2] amends section 6A of the Act to achieve the object set out in paragraph (a) of the Overview.

Schedule 1 [3] and [4] amend section 7B (Land value of strata) of the Act in a way that corresponds to the amendments to section 6A since the approach to land value of strata mirrors, in the relevant aspects, the approach to land value of land.

Schedule 1 [5] and [6] amend Schedule 2 (Savings, transitional and other provisions) to the Act to ensure that, while the amendments are to have retrospective effect so as to confirm the validity of land valuations already made, a decision in any proceedings commenced before introduction of the Bill will be unaffected.