


**Submission
No 36**

INQUIRY INTO LAND VALUATION SYSTEM

Name: Mr Mark Wareham


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Joint Committee on the Office of the Valuer General,
Parliament House,
Macquarie Street,
Sydney NSW 2000


Huskisson NSW 2540

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Dear Sirs,

I wish to make a submission on what I consider to be inequitable and inconsistent outcomes for stakeholders that the current valuation system has delivered in the past. I appreciate that the functions of the Committee do not extend to the investigation of any matter relating to or arising from a particular valuation of a specific parcel of land but I refer to the general valuations in beach villages in the Shoalhaven in 2002 and subsequently. After modest increases in land value of some 15% between July 1993 and July 1996 and 10% between July 1996 and July 1999, massive increases were imposed in July 2002. To quote the Sydney Morning Herald article "A tax bill arrives, and you're living in fantasy land" in the weekend edition 8-9 March 2003: Farrant Avenue, Culburra Beach up 450% and Quay Road, Callala Beach up 250%. These are just examples and I have to admit that my property in  Huskisson only increased by 161% between 1999 and 2003. The article went on to note that properties were being sold for less than the land value. The Culburra Beach property was passed in at auction in early 2003 at \$595,000, well under its new valuation in July 2003 of \$670,000. To add to the inequity of these massive increases in land valuations is the flow on effect to the General Rates component of the rates the Shoalhaven Council was able to assess.

Further to the issue of equity, the "Understanding Your Land Valuation" brochure issued at the time stated that "the Valuer General adjusts the threshold for land tax and premium property tax every year, in line with changes in the property market". This was blatantly incorrect as the threshold was only increased by 35.9% between January 2000 and January 2003. The increases in the threshold have continued to lag the increases in valuations after this date.

Additional evidence of these huge increases and how they adversely affected the stated intentions of the coastal protection policy SEPP 71 can be found in Elizabeth Farrelly's article in the Sydney Morning Herald of 28 January 2003 "NSW's land tax regime has rung the death knell of the Aussie Beach Shack".

Yours Faithfully,


(Mark Wareham)