

## VALUATION OF LAND AMENDMENT BILL

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### EXPLANATORY NOTE

THIS Bill amends the Valuation of Land Act 1951.

*Clause 1* relates to the Short Title.

*Clause 2* re-enacts in an amended form section 6 of the principal Act relating to the qualifications and jurisdiction of District Valuers.

The new section provides that District Valuers must be registered valuers under the Valuers Act 1948. It omits the requirement that the District Valuers must be persons of reputed local knowledge of land values, and also omits the existing subsection (2), which provides that references to District Valuers in the principal Act include officers or valuers appointed or employed by the Valuer-General to act in the preparation of the district roll or the making of the valuation. The only section where this is relevant is section 7, which is substituted by *clause 3* of the Bill to extend specifically to such persons.

*Clause 3* re-enacts in an amended form section 7 of the principal Act relating the powers of District Valuers and duties of owners or occupiers. The amendments are consequential on the new section 6 referred to above, and give to valuers who are officers of the Valuation Department the same powers as the District Valuer to enter on land for the purposes of making a valuation, and gives to valuers and other officers of the Department power to require owners, occupiers, and managers to answer questions and supply information. They have these powers at present under section 6 (2) which is not included in the new section 6.

*Clause 4* inserts a new section 25c in the principal Act, making provision for the assessment by the Valuer-General of special rateable values of land used exclusively for rural or residential purposes which is situated in an area zoned commercial or industrial under an operative, proposed, or draft district scheme and is not, in the opinion of the Valuer-General, likely to be used for purposes other than rural or residential purposes during the currency of the existing roll. At present, such land is valued as commercial or industrial land and is rated accordingly.

The new section 25c corresponds generally to section 25B of the principal Act (inserted by section 3 of the Valuation of Land Amendment Act 1967) providing for the assessment of special rateable values for commercial or industrial land which is situated in an area zoned rural or residential.

The section provides for the assessment of a special rateable value in cases where the use of the land for rural or residential purposes is not a predominant use or a permitted conditional use under the zoning applying to the area in which it is situated. That is, the use of the land for rural or residential purposes must, under the zoning applying to the area, be a non-conforming use before a special rateable value will be assessed.

The effect of the section is that the special rateable value of the land will be assessed according to its actual use as rural or residential land and not as commercial or industrial land.

*Clause 5* inserts a new section 25D in the principal Act, making provision for the assessment by the Valuer-General of special rateable values of land used for single-unit residential purposes whose values are increased by the fact that the land is in an area where rateable values are influenced by the demand for land for multi-unit housing.

The section provides that the Valuer-General may assess a special rateable value for land that is used exclusively or principally for single-unit housing and is situated in an area where the rateable value of residential land is to some extent attributable to the actual or potential use to which such land is or may be put for multi-unit housing. A special rateable value will not be assessed if, in the opinion of the Valuer-General, the land is likely to be used for any purpose other than single-unit housing during the currency of the existing roll.

The effect of the section is that the special rateable value of the land will be assessed as single-unit residential land as if its rateable value had not been influenced by the existing or potential demand for multi-unit housing.

*Clause 6* inserts a new section 25E in the principal Act making provision for the assessment by the Valuer-General of special rateable values of land used for any purpose that is an existing use within the meaning of section 36 of the Town and Country Planning Act 1953. A special rateable value will not be assessed under this section unless the Valuer-General is of the opinion that that use will continue during the currency of the existing roll.

The effect of the section is that the special rateable value of the land will be assessed as if the purpose for which it is being used were a permitted use in an operative district scheme under the Town and Country Planning Act 1953.

*Clause 7* is consequential on the amendments made by *clauses 4 to 6*. It extends the definition of "special rateable value" in section 2 of the principal Act to include special rateable values under the new sections 25C, 25D, and 25E.

*Clause 8* defines the term "occupier" as having the same meaning as in the Rating Act 1967. That term is used but not defined in the new sections 25C, 25D, and 25E of the principal Act (inserted by *clauses 4 to 6* of this Bill), and for convenience this clause inserts a definition of the term in section 2 of the principal Act.

*Clause 9* repeals sections 43 and 44 of the principal Act. Section 43, which does not apply in districts where the annual value system of rating is in force, provides for the making of a special valuation of land owned or occupied by or in trust for a local authority, of showgrounds, of public gardens or reserves, and of sports grounds, the valuation being reduced to the extent that the value of the land is reduced by reason of the limited and restricted purposes to which the land is applied. The repeal of section 44 is consequential on the repeal of section 43.

As a result of the repeal of these sections, any rating relief that may be granted in respect of such land will be a matter for the local authority to decide under section 146 of the Rating Act 1967.

This clause gives effect to a recommendation of the Committee on Local Authority Finance 1963 (see paragraph 152 of its report, on page 40).

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*Hon. Mr MacIntyre*

## VALUATION OF LAND AMENDMENT

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### ANALYSIS

Title	5. Special rateable values of single-unit dwellinghouses in areas where values influenced by demand for multi-unit housing
1. Short Title	6. Special rateable values of "existing use" properties
2. Where District Valuers to exercise functions	7. Consequential amendment
3. Powers of District Valuers and other officers, and duties of owners and occupiers	8. Meaning of "occupier"
4. Special rateable value of rural or residential land in commercial or industrial areas	9. Repealing provisions as to valuation of showgrounds, sports grounds, etc.

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### A BILL INTITULED

#### **An Act to amend the Valuation of Land Act 1951**

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same,  
5 as follows:

**1. Short Title**—This Act may be cited as the Valuation of Land Amendment Act 1970, and shall be read together with and deemed part of the Valuation of Land Act 1951\* (hereinafter referred to as the principal Act).

10 **2. Where District Valuers to exercise functions**—The principal Act is hereby further amended by repealing section 6, and substituting the following section:

\*1957 Reprint, Vol. 16, p. 349

Amendments: 1964, No. 116; 1965, No. 64; 1967, No. 121; 1968, No. 114

“6. (1) The District Valuers shall be persons who are registered valuers under the Valuers Act 1948, and shall exercise their functions in such districts as the Valuer-General from time to time directs.

“(2) The fact of a District Valuer exercising his functions in any district shall be sufficient evidence of his authority so to do.” 5

**3. Powers of District Valuers and other officers, and duties of owners and occupiers**—The principal Act is hereby further amended by repealing section 7, and substituting the following section: 10

“7. (1) The District Valuer and every valuer who is an officer of the Valuation Department may at all times during the day enter on any land for the purpose of making a valuation of the same. 15

“(2) The owner or occupier or manager of any land shall answer any questions put to him by the District Valuer or by any valuer or other officer of the Valuation Department, and generally supply all necessary information to enable a correct valuation to be made and district valuation rolls to be prepared, revised, and altered. 20

“(3) Every person who in any way obstructs or hinders the District Valuer or any valuer or other officer of the Department in the exercise of his functions under this section, or refuses to answer any relevant question or to supply any information in his possession in compliance with this section, is liable on summary conviction to a fine not exceeding \$20.” 25

**4. Special rateable value of rural or residential land in commercial or industrial areas**—The principal Act is hereby further amended by inserting, after section 25B (as inserted by section 3 of the Valuation of Land Amendment Act 1967), the following heading and section: 30

*“Special Rateable Value of Rural or Residential Land in Commercial or Industrial Areas*

“25c. (1) The Valuer-General may from time to time, of his own motion or upon application in writing made by the occupier thereof, determine the special rateable value of land that— 35

“(a) Is situated in a district where the system of rating on the capital value or the unimproved value is in force; and 40

- 5 “(b) Is situated in an area that is zoned exclusively or principally for commercial or industrial purposes under an operative, proposed, or draft district scheme within the meaning of the Town and Country Planning Act 1953; and
- 10 “(c) Is used exclusively or principally for rural or residential purposes, being a use which under that scheme is neither a predominant use nor a permitted conditional use in the area so zoned; and
- 15 “(d) Is not, in the opinion of the Valuer-General, likely to be used for purposes other than rural or residential purposes during the currency of the district valuation roll, meaning the period before the date of the next revision thereof.
- 20 “(2) The special rateable value of any land shall be determined by the Valuer-General under this section upon the assumption that—
- “ (a) The actual use to which the land is being put is a permitted use in an operative district scheme within the meaning of the Town and Country Planning Act 1953 in force for the district in which the land is situated (whether or not such a scheme is for the time being actually in force); and
- 25 “(b) The use will be continued for the purposes specified in paragraph (c) of subsection (1) of this section; and
- “ (c) The improvements on the land will be continued and maintained or replaced in order to enable the land to continue to be so used.
- 30 “(3) Notwithstanding anything in subsection (1) of this section no such special rateable value need be determined by the Valuer-General unless in his opinion the amount of such value is less than the capital value if the capital value system of rating is in force, or less than the unimproved value if the
- 35 unimproved value system of rating is in force.
- “ (4) The provisions of sections 18 to 25 of this Act, as far as they are applicable and with the necessary modifications, shall apply with respect to the notification of and objection to any special rateable value determined under this section.

“(5) No objection to the amount of any special rateable value determined under this section shall be upheld except to the extent that the objector proves that the special rateable value does not preserve uniformity with existing roll values of comparable parcels of land in areas zoned exclusively or principally for rural or residential purposes under the district scheme within the meaning of the Town and Country Planning Act 1953 for the district in which the land is situated. 5

“(6) Where the special rateable value is made on the motion of the Valuer-General, it shall be deemed to be entered in and appear on the district valuation roll on such date as the Valuer-General determines, being not earlier than the 31st day of March immediately preceding the date when it is actually made and assessed. Every such special rateable value made on the application of the occupier shall be deemed to be entered in and appear on the district valuation roll on the 31st day of March succeeding the date of the application, whether or not the special rateable value has actually been assessed and entered on or before that date or is not assessed and entered until after that date: 10 15 20

“Provided that where the special rateable value is made on the application of the occupier following a revaluation of the district made in the month of March in any year and that application is made not later than the 30th day of April in that year, the special rateable value shall be deemed to be entered in and appear on the district valuation roll on the 31st day of March in that year, whether or not the special rateable value has actually been assessed and entered on or before that 31st day of March or is not assessed and entered until after that date. 25 30

“(7) Where any land the special rateable value of which has been determined under this section ceases to be used for rural or residential purposes, that special rateable value shall, if rates for the rating year then current have not been made and levied as at the date when that use ceases, be deemed to have been removed from the district valuation roll on the 31st day of March immediately preceding the date when the land ceased to be so used. If the use of the land for rural or residential purposes ceases after the date when rates for the rating year then current have been made and levied, that special rateable value shall be deemed to be removed from the district valuation roll on the 31st day of March next succeeding the date when the land ceased to be so used. 35 40

“(8) Notice of any such change of use shall forthwith be given in writing by the occupier of the land to the Valuer-General and to every local authority in whose district the land is situated.”

- 5 **5. Special rateable values of single-unit dwellinghouses in areas where values influenced by demand for multi-unit housing**—The principal Act is hereby further amended by inserting, after section 25c (as inserted by section 4 of this Act), the following heading and section:

10 *“Special Rateable Values of Single-unit Dwellinghouses in Areas Where Values Influenced by Demand for Multi-unit Housing*

“25d. (1) The Valuer-General may from time to time, of his own motion or upon application in writing made by the  
15 occupier thereof, determine the special rateable value of any land, being a separate property, that—

“(a) Is situated in a district where the system of rating on the capital value or the unimproved value is in  
20 force; and

“(b) Is used exclusively or principally for single-unit housing purposes and is situated in an area where the rateable value of residential land is to some extent attributable to the actual or potential use to which such land is or may be put for multi-unit housing  
25 purposes; and

“(c) Is not, in the opinion of the Valuer-General, likely to be used for any purposes other than single-unit housing purposes during the currency of the district valuation roll, meaning the period before the date  
30 of the next revision thereof.

“(2) The special rateable value shall be determined by the Valuer-General under this section upon the assumption that—

“(a) The land will continue to be used for single-unit housing purposes; and

35 “(b) The improvements on the land will be continued and maintained or replaced in order to enable the land to continue to be so used.

“(3) Notwithstanding anything in subsection (1) of this section, no special rateable value need be determined by the  
40 Valuer-General unless in his opinion the amount of such value is less than the capital value if the capital value system of rating is in force, or less than the unimproved value if the unimproved value system of rating is in force.



“(4) The provisions of sections 18 to 25 of this Act, as far as they are applicable and with the necessary modifications, shall apply with respect to the notification of and objection to any special rateable value determined under this section.

“(5) No objection to the amount of any special rateable value determined under this section shall be upheld except to the extent that the objector proves that the special rateable value does not preserve uniformity with existing roll values of comparable parcels of land in the district which are used exclusively or principally for the purposes of a single-unit dwellinghouse and whose rateable value has not been influenced by the demand for multi-unit housing.

“(6) The provisions of subsections (6) to (8) of section 25c of this Act, as far as they are applicable and with the necessary modifications, shall apply to any special rateable value determined under this section.

“(7) For the purposes of this section—

“(a) Land, being a separate property, shall be deemed to be used for single-unit housing purposes if—

“(i) There is erected on the land a building or group of buildings used or intended to be used solely or principally for residential purposes and occupied or intended to be occupied exclusively as the home or residence of a single household; and

“(ii) There are no other buildings on the land;

“(b) Land, being a separate property, shall be deemed to be used for multi-unit housing purposes if there are erected on the land one or more buildings or groups of buildings used or intended to be used solely or principally for residential purposes and occupied or intended to be occupied as the homes or residences of two or more households.”

**6. Special rateable values of “existing use” properties**—The principal Act is hereby further amended by inserting, after section 25D (as inserted by section 5 of this Act), the following heading and section:

*“Special Rateable Values of ‘Existing Use’ Properties*

“25E. (1) The Valuer-General may from time to time, of his own motion or upon application in writing made by the occupier thereof, determine the special rateable value of land that—

- “(a) Is situated in a district where the system of rating on the capital value or the unimproved value is in force; and
- 5 “(b) Is used for any purpose that is an existing use within the meaning of section 36 of the Town and Country Planning Act 1953; and
- “(c) Is, in the opinion of the Valuer-General, likely to continue to be used for the purpose that is an existing use as aforesaid during the currency of the district valuation roll, meaning the period before
- 10 the date of the next revision thereof.
- “(2) The special rateable value shall be determined by the Valuer-General under this section upon the assumption that—
- 15 “(a) The actual use to which the land is being put is a permitted use in an operative district scheme within the meaning of the Town and Country Planning Act 1953 in force for the district in which the land is situated (whether or not such a scheme is for the time being actually in force); and
- 20 “(b) The use will be continued for the purpose for which the land is actually being used at the time of valuation; and
- “(c) The improvements on the land will be continued and maintained or replaced in order to enable the land
- 25 to be so used.
- “(3) Notwithstanding anything in subsection (1) of this section, no special rateable value need be determined by the Valuer-General unless in his opinion the amount of such value is different from the capital value if the capital value system of rating is in force, or different from the unimproved value if
- 30 the unimproved value system of rating is in force.
- “(4) The provisions of sections 18 to 25 of this Act, as far as they are applicable and with the necessary modifications, shall apply with respect to the notification of and objection
- 35 to any special rateable value determined under this section.
- “(5) No objection to the amount of any special rateable value determined under this section shall be upheld except to the extent that the objector proves that the special rateable value does not preserve uniformity with existing roll values of
- 40 comparable parcels of land in the district which are used exclusively or principally for the purpose for which the subject land is actually being used, the use of those parcels of

land being a permitted use in an operative district scheme within the meaning of the Town and Country Planning Act 1953 in force for the district in which those parcels of land are situated (whether or not such a scheme is for the time being actually in force).

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“(6) The provisions of subsections (6) to (8) of section 25C of this Act, as far as they are applicable and with the necessary modifications, shall apply to any special rateable value determined under this section.”

**7. Consequential amendment**—Section 2 of the principal Act is hereby amended by inserting in the definition of the term “special rateable value” (as inserted by section 4 of the Valuation of Land Amendment Act 1965), after the words “section 25B”, the words “or section 25C or section 25D or section 25E”.

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**8. Meaning of “occupier”**—(1) Section 2 of the principal Act is hereby amended by inserting, after the definition of the term “local authority”, the following definition:

“‘Occupier’ has the same meaning as in section 2 of the Rating Act 1967:”.

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(2) Section 8 of the principal Act is hereby consequentially amended by omitting from paragraph (b) the words “within the meaning of the Rating Act 1925”.

**9. Repealing provisions as to valuation of showgrounds, sports grounds, etc.**—The following enactments are hereby repealed:

- (a) Sections 43 and 44 of the principal Act:
- (b) Section 5 of the Finance Act 1954.