

POLICY REVIEW – GROUP RATING

Valuer General's Office Policy 3.103 – Land –
The Unit of Valuation, Gross Rental Value

Valuer General's Office Policy 4.310 – Group
Valuations – Unimproved Values in Rural Areas

Meeting Date: 23 November 2021

Number of Pages : 4

3.103 Land – The Unit of Valuation, Gross Rental Value

Purpose/Objectives

The *Valuation of Land Act 1978* requires that a gross rental value (GRV) is determined for rateable land and a value is entered into the valuation roll.

Key Principles

- GRVs relate to an area actually or hypothetically available for occupation. Where there is more than one occupant within a single ownership, individual values are to be determined for each separate occupancy. These separate values are aggregated and entered into the valuation roll as a single GRV.
- Where an actual and contiguous occupation extends across more than one lot, a single GRV shall be determined.
- Section 71 of the *Strata Titles Act 1985* states for rating and taxing purposes, each lot of the parcel must be valued separately as a single lot. When there is more than one occupancy within a strata lot, the occupancies are individually valued and an aggregated GRV is entered into the valuation roll.

Useful Links

[Valuation of Land Act 1978 – sections 18 & 26](#)

[Strata Titles Act 1985 – section 71](#)

Evaluation & Review

Custodian: Policy & Regulation, Valuation Services

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Date of next review: June 2024

4.310 Group Valuations – Rural Unimproved Values

Purpose/Objectives

Rural land is often held in common ownership comprising one or more lots or parcels of land. Where lots are adjoined or contiguous, the Valuer-General must determine whether a group valuation is to apply.

Key Principles

Rural land is to be valued as a single valuation entity if it can be demonstrated that:

- The lots are contiguous and in common ownership;
- The lots are used and occupied as one holding and would normally be expected to sell as one holding;
- The current conjoint use will continue into the foreseeable future;
- The basis of valuation is supported by sales evidence.

Contiguous has been defined as where land is physically abutting or is touching, however in the context of valuation, a wider interpretation of the term is given that acknowledges the practical aspects of land utilisation and farming operations. Under this wider definition, land may be deemed contiguous if:

- Survey boundaries abut or adjoin.
- Locations or lots are separated by a road, drain or watercourse reserve.
- A property is actively used as one and would reasonably be expected to sell as one landholding, even though boundaries do not strictly adjoin.

To satisfy the **same ownership** requirements, one of the following conditions must be met:

- Locations or lots must have identical names as per Certificates of Title.
- Common ownership or occupied as per the definitions under section 1.4 of *Local Government Act 1995*.
- Where the names on the Certificates of Title for contiguous lots have common but not identical parties, the local governmental authority may endorse specific family names as being the "owner" for entry in the rate record and these will apply for entries on the valuation roll.

Useful Links

[Local Government Act 1995](#) – section 1.4 (occupier, owner)

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