



Speech by

Hon. S. ROBERTSON

MEMBER FOR STRETTON

Hansard 11 September 2001

NATURAL RESOURCES AND OTHER LEGISLATION AMENDMENT BILL

Hon. S. ROBERTSON (Stretton—ALP) (Minister for Natural Resources and Minister for Mines)
(3.06 p.m.): I move—

That the bill be now read a second time.

This bill proposes to make amendments to a number of acts in my portfolio and allied local government and land tax legislation to improve their operation. These acts include the Valuation of Land Act 1944, the City of Brisbane Act 1924, the Local Government Act 1993, the Land Tax Act 1915, the Land Act 1994, and the Land Title Act 1994.

The principal amendment to the Valuation of Land Act 1944 streamlines the valuation and rating provisions in section 25, which deals with subdivided land. In 1997, when the current section 25 was included in the act, it contained a sunset clause of 30 June in the year immediately following the rating year in which the land was subdivided. As background information, section 25 provides a 40 per cent discount in the valuation of land for local government rates whilst the subdivided land is vacant and still held by the original subdivider. In effect, it recognises that lands being held in subdivision for sale should not be subject to the full rate based on the individual value of each lot. In other words, it gives an incentive to subdividers developing land for sale, which is a matter of policy that has been entrenched in the act for many years.

Because of the sunset clause and the application of section 34 of the act, on 30 June each year, for valuation purposes, my department is required to amalgamate lots still held by the original subdivider that remain undeveloped. These amalgamated valuations include an allowance for bulk holding of the lots. Administrative difficulties have been experienced when changing both the valuation and local government rating records and then having to adjust the valuations and rates is quite tedious for both my Department of Natural Resources and Mines and local government staff.

This amendment has been suggested following submissions by the Local Government Association of Queensland and staff of my department. It will extend the 40 per cent discount in rating on the individual values of these lots, instead of reverting to the bulk valuation system after one year. The Urban Development Institute of Australia agrees with this proposal, not because of any individual effect on rating, but because it will streamline the valuation and rating of these lands.

The valuation discount will apply for land tax purposes if at least six subdivided lots are held. This condition recognises that, with only a small number of lots, there is little difference between the sum of the individual values and the value of all lots as a whole. Also, the concession will not apply to balance lots, as these lots are already valued on a broadacre basis, that is, land suitable for subdivision. Therefore, the further application of a 40 per cent discount to the valuation of such land delivers an unnecessary further concession in land tax.

Transitional provisions are also to be inserted in both the Valuation of Land Act 1944 and the Land Tax Act 1915, which preserve the existing amalgamated valuations that were effected prior to commencement of the proposed changes. These will save further administration in valuation, rating and taxing, as without the transitional provision the already amalgamated valuation records would again have to be split and separately valued, with adjusted individual rating and taxing records. I propose that

the amendments dealing with the valuation, rating and taxing of subdivided land commence on 30 June 2002 to coincide with the 2002-03 financial year.

Other amendments to the Valuation of Land Act 1944, the City of Brisbane Act 1924 and the Local Government Act 1993 propose changes to reinstate the power of the chief executive to fix the date of an annual valuation, currently 1 October. This power was inadvertently removed from the Valuation of Land Act in an earlier amendment.

The amendments also propose to remove the service currently provided by the chief executive of my department in identifying land for rating categorisation for local governments, as this is clearly a local government responsibility. A survey of local governments indicates that only eight of the 124 local governments in Queensland would utilise such a service if it were again provided. The powers for differential rating and identifying land for rating categorisation remains in the City of Brisbane Act 1924 and the Local Government Act 1993. The Local Government Association of Queensland supports the proposal. The amendments also update, clarify and correct references in a number of sections.

Finally, the amendments to the Land Act 1994 and the Land Title Act 1994 clarify that, in relation to explanatory format plans, it is the interest in land which is being described and that an interest in land such as a lease may be defined by a sketch plan in addition to a survey plan. These amendments will assist in the operation of these acts under my portfolio and the associated local government and land tax areas. I commend the bill to the House.
