

QUESTION ON NOTICE

No. 1820

asked on Thursday, 1 November 2007

MR LINGARD ASKED THE MINISTER FOR NATURAL RESOURCES AND WATER AND MINISTER ASSISTING THE PREMIER IN NORTH QUEENSLAND (MR WALLACE)—

QUESTION:

Will he advise what investigations and actions the Government is taking to amend the Valuation of Land Act to allow site valuation to be the methodology used to determine the valuations of urban property?

ANSWER:

As per Question on Notice 1493, the Member for Hinchinbrook asked:

“Will he advise what investigations and actions the government is taking to amend the Valuation of Land Act to allow site valuation to be the methodology used to determine the valuations of urban property?”

Below is my response to that Question:

“Statutory land valuations are used in the public finance system to establish relativities in the collection of local government rates, land tax by the Office of State Revenue and for levying State leasehold land rents by my Department of Natural Resources and Water. Valuations are also provided to the Commonwealth Government’s Grants Commission to be used for statistical analysis in the allocation of GST revenue to the states.

The Government has considered the feasibility of a move to site value on urban land and the financial implications of such a system. It was identified that the liability of certain individual landowners would change – some would pay more and others pay less.

The cost and timing of such a change and stakeholder expectations are also matters to be taken into consideration. Also, any change in valuation methodology has revenue implications for land tax and leasehold land rent revenue and would also need to incorporate recent changes to land tax thresholds and changes to the leasehold land rental system.

The Government intends to keep this matter under consideration and will continue to assess the feasibility of such changes.”