

20/08 '95 16:02 0088 250400

LISMORE CITY CML --- CR ROBERTS

0002/002

*Peter*  
*For your info -*  
*no response although John*  
*Beacroft would follow it up if*  
*requested. Diana*  
*ie no address to*  
*the P&R committee*  
*ever happened.*

**FILE**

Mr Beacroft

September 28, 1994

JB:S/384

The District Valuer  
 Department of Conservation & Land Management  
 Molesworth Street  
 LISMORE 2480

Dear Mr Deegan

Council recently considered a report (copy enclosed) by its Manager of Rating and Revenue, Mr. John Beacroft, in relation to the rating of Multiple Occupancy Communities.

At the meeting Council resolved as follows " That the issue of land valuation for multiple occupancies be raised with the Valuer General's Department to investigate whether the value of the land can be determined with respect to the number of people who reside there."

I have had the opportunity to listen to the Council's recorded debate on this issue and I believe that the resolution above does not reflect fully the concerns of Council for the various issues raised in the debate.

Council is concerned that various property types such as :-

- \* Caravan Parks and Mobile Home Parks
- \* Flats
- \* Workers Dwellings on Farming Properties
- \* Dual Residential Properties
- \* Boarding Houses
- \* Aged Retirements Units

by their nature make demands either for services or make use of community services to a larger degree than single residence properties. As such Council is concerned that these properties types may not be making a sufficient contribution towards the use of these facilities as the basis of rating is upon land values. It is understood that these land values do not take into account the use of the property and Council seeks your advice as to the basis of your process in determining land values for the various property types listed above.

It is suggested that a short address from yourself at a Council Policy and Resources Meeting may be an appropriate method of addressing this issue.

Please contact Council's Mr. John Beacroft for further information.

Yours faithfully

*hub*  
 (C M Cooper)  
 ACTING GENERAL MANAGER



**COUNCIL RATING AND  
REVENUE RAISING  
MANUAL**

**DEPARTMENT OF LOCAL GOVERNMENT**

**MAY 1995**



amounts (and for 1994/95 - minimum rates) and are owned by the same person(s), if, in the opinion of the council, the levying of a rate containing a base amount (minimum), a) would apply unfairly and b) could cause hardship to a rateable person. Land values are only allowed to be aggregated if "each separate parcel of land is subject to the same category or sub-category in the case of ordinary rates, or the same special rate." Further, a council must not aggregate the land values of two or more parcels of land if each parcel has a dwelling erected on it or each parcel "comprises (or substantially comprises) a dwelling in a residential flat building", or a combination of both of these.

#### 9.6 Application of rates, base amounts and charges to Multiple Occupancy developments

The rating of multiple occupancy developments is an issue that has come about because of the perceived inequity in councils only levying one set of rates and charges on a property that has more than one distinct occupation or dwelling and whose occupants/residents have the same access to council provided services as the owners of single occupancies who are separately paying rates and charges.

The Local Government Act requires rates to be levied on each "parcel of land" which is separately valued and also for each parcel of land to be placed in one of four categories.

The definition of "parcel of land" in the Local Government Act is a portion or parcel of land which is separately valued under the Valuation of Land Act. The Valuation of Land Act requires separate valuations to be made under the following circumstances:-

Section 26(1) ....if buildings are erected thereon which are obviously adapted for separate occupation.

27(1) Where several parcels of land owned by the same person are separately let, they shall be separately valued.

27(2) Lands which do not adjoin or which are separated by a road or are separately owned shall be separately valued, except land held for agricultural or pastoral purposes which are owned by the same person.

27(B) Lots in a subdivision may be separately valued.

In regard to the separate valuation of multiple occupancies, the Valuer-General has adopted the following policy:-

- (1) Lots in a subdivision will be separately valued upon registration of a Deposited Plan if it is reasonable that the lots will be sold in the near future.



20/6/95

Di. rep. 9-5 re 'domestic waste' charge

these apply only to garbage collection

and only if the truck passes the

door (even if they don't use it).

If a mo falls into this category, then  
it would pay the fee.

---

2. (5) we assume "zone for mo" is ignorance of the  
author.

- (2) In deciding whether separate valuations should be made where there are buildings on land, the answers to each of the following questions must be "yes".
- (a) Is the "degree of separation effected by the owner in using the land" such that it is obvious that the "parcels" are quite separate to the remainder of the property?
  - (b) Can the physical boundaries of the parcels of land be readily determined?
  - (c) Are the buildings obviously adapted for separate occupation?
  - (d) Is there clearly defined access to each parcel of land from a public road?
- (3) The determination of each of the above questions is a matter of fact.
- (4) Workers cottages on rural properties are not separately valued because a rural property has been considered as a parcel of land. In the majority of situations they would also fail 2(a).
- (5) Dwellings on rural land zoned for multiple occupancy have been treated in the same manner as (4). They may also fail at least one of the tests in (2).

Currently it seems that existing legislation would allow for charges to be levied having regard to the multiple occupancy, especially in terms of domestic waste management service charges. Section 539 of the Act sets out some criteria that councils may use when determining the amount of a charge. These include the nature, extent and frequency of the service, the nature and use of premises to which the service is provided, and others. Section 541 allows for differing amounts of the same charge to be determined.

This is, however, not applicable for rating, including the levying of base amounts.

If a council believes that a multiple occupancy development may be able to be separately valued because it could possibly satisfy the above criteria, then the council is able to apply for separate valuations to be provided by the Valuer General under section 17 of the Valuation of Land Act.

There may be costs levied by the Valuer General involved in this for each such application by a council.

For other multiple occupancies that do not satisfy the Valuer General's separate valuation criteria (e.g. granny flats), there would not currently be a way of separately rating each occupancy.

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# Office of State Revenue

NSW Treasury

Mrs P. Davis  
c/- Dunoon Post Office  
N.S.W. 2480

Off File

Contact: J Calderon  
Telephone: 689 6384  
Our Reference: 93/25(S)  
Your Reference:

Dear Mrs Davis,

Your letter of 26 February, 1993 concerning stamp duty is acknowledged.

Stamp duty on the transfer of any property is assessed at conveyance rates of duty. The rates are based on a sliding scale as follows:

Up to \$14000	-	\$1.25 per \$100
\$14000 to \$30000	-	\$175 plus \$1.50 per \$100
\$30000 to \$80000	-	\$415 plus \$1.75 per \$100
\$80000 to \$300000	-	\$1290 plus \$3.50 per \$100

With  
Nil \$10

Stamp duty on the transfer of shares is calculated at the rate of 6 cents per \$10 or part thereof.

In both cases duty is assessed on the higher of the value or consideration payable for the transfer.

Should improvements be erected on land by anyone other than the owner of the land the improvements would vest in the owner of the land. It is not possible to sell the house separately from the share. Stamp duty would be payable on the value of the share or the consideration payable, whichever is the higher.

Yours faithfully,

for COMMISSIONER OF STAMP DUTIES



Mrs. P. Davis,  
c/o Dunoon Post Office,  
N.S.W. 2480

26th February, 1993

Office of State Revenue,  
65 Elizabeth St.,  
Sydney, 2000

Dear Sirs,

Please will you answer these questions?

- 1) What is the Stamp Duty payable on the transfer of land (and house) of values up to \$100,000?
- 2) What is the Stamp Duty payable on the transfer of a Share of a registered company?
- 3) I own a share in a company that owns land. I built a house on the land. I wish to sell my share, with the house too. I understand that Stamp Duty is payable on the Share Value when it is sold. Is there any Stamp Duty payable on the value of the house which was not paid for by the Company?

Yours sincerely,

Pauline Davis

Blue Spring



*Spence*  
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*(of Blue Springs)*

*Blue Springs*





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Yours sincerely,

*Pauline Davis*

*Blue Spring*



Pauline Davis is at Blue  
Springs

The Application form

Your application form for non-advertised positions

Office of State Revenue  
65 Elizabeth St.  
Sydney, 2000

Dear Sir,

Please fill in and

- 1) What is the Stamp  
of value up to \$2
- 2) What is the Stamp  
company?

- 3) I own a share in a  
firm. I wish to  
that Stamp duty is  
to there any Stamp  
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