

Your Guide to the
**Valuer General's
Review Process**



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Disclaimer

Valuation NSW has prepared this guide for general information. You may wish to seek independent advice before making a decision based on this information.

Acknowledgements

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Find an interpreter

Please call TIS National on 131 450 and ask them to call us on 1800 110 038.



131 450



We value your feedback

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Understanding objections

Land value is the market value of the land only, without buildings or improvements, as if it had sold on 1 July in the valuing year.

On receipt of your Notice of Valuation or land tax assessment, you may lodge an objection with the Valuer General if you believe your land value has been incorrectly assessed or that the information shown on your Notice of Valuation or land tax assessment contains factual errors.

Only someone who has received a Notice of Valuation or land tax assessment may lodge an objection or authorise someone else to do it for them.

The Valuer General cannot accept objections from a group petition.

If you own more than one property, you must lodge an objection for each.

If your property has multiple owners or lessees, you must tell each of them that you are lodging an objection.

Before you object, we encourage you to review the information at valuergeneral.nsw.gov.au, which may help you understand your land value. This includes:

- Comparative land values across NSW
- trends, medians and typical land values
- property sales information
- reports, policies and fact sheets

These resources will help you decide if you have sufficient reasons to object. You may also call us on 1800 110 038 before lodging an objection.

Your Notice of Valuation

The Valuer General sends a Notice of Valuation when we provide councils new land values for rating. This happens at least every three years.

Your Notice of Valuation shows your land value. It includes information that the valuer used to determine the value, such as property area, description, dimensions and zoning.

You may object to the land value or property information on your current Notice of Valuation if you believe it has been incorrectly assessed or that it contains factual errors.

Your land tax assessment

Revenue NSW sends registered land tax clients a land tax assessment each year. This includes unit owners in a strata scheme.

Supporting information contained in the assessment notice schedule shows:

- the land value used to calculate your land tax
- the taxable value of each property
- the average land value of each property over the past three years, where applicable.

Revenue NSW uses this average to determine land tax.

You may object to the individual land values on your assessment notice. If you do, you will need to tell us which land values you would like us to review.

When Revenue NSW refer to the 2023 land value, they are referring to a land value as at 1 July 2022.

Objecting to your land value

About your land value

Land value is the market value of the land only, as if it had sold on 1 July in the valuing year.

| includes | does not include |
|---|---|
| improvements like draining, excavating, filling and clearing | your home or other structures |
| the physical effects of works within an easement, like pipes or transmission lines, and how these may restrict your use of the land | restrictions like easements, rights of way, caveats and title covenants |

You may object if:

- you believe your land value is too high or too low
- the area, dimensions or description of the land are incorrect
- the valuations are incorrectly apportioned
- we should have valued the land separately
- we should have valued the land with other land
- concessions or allowances are incorrect or missing
- the person on the Notice of Valuation does not own, lease or occupy the land. You may call us to tell us about this, rather than lodge an objection.

How to object

You may lodge your objection at valuergeneral.nsw.gov.au using our online form. If you don't have access to the internet, please call us on 1800 110 038 to discuss the options available to you.

You have 60 days after the notice has been sent to you to lodge an objection. The deadline is either:

- the date on the front page of your Notice of Valuation
- 60 days from the issue date on your land tax assessment notice.

We may accept late objections in very limited circumstances. These are outlined in the Valuer General's Out of Date Objections Policy. If the deadline has passed, you must tell us why your objection is late and provide evidence to support your objection.

Evidence to support your objection

You should provide evidence to support your objection. You must provide all the evidence you are relying on at the time you lodge your objection as there is no further opportunity to provide evidence later. Therefore, you should carefully consider the evidence you are providing to ensure that it supports your objection.

Your objection should focus on evidence that is relevant to the valuing year and that demonstrates your suggested land value is correct. If you do not provide supporting evidence, we will disallow your objection.

What to provide

If you believe your land value is too high or too low you will need to:

- tell us what you think your land value should be, with an explanation and rationale supporting your contended land value.
- provide three (3) sales to support your contended land value. You must tell us how or why the sales are comparable to your property.

Sales evidence to support your objection

To support your objection, you should reference sales of similar properties in the valuing year. Where sales evidence is limited, older sales can be utilised although an explanation as to why the sale is relevant to the valuing year of your objection is required.

If you are using the sale of your own property as evidence, it is optional to provide additional sales.

The sales evidence should support your contended land value.

You may use sales from the [benchmark component report](#), [valuation sales report](#) or other sales information. These can be accessed from the Valuer General's website or from your Information Kit if you have requested one.

The benchmark component report shows the purchase price and adjusted land value of property sales the valuer considered during the valuation process. The valuation sales report is a sample of sales in your area.

Valuers determine a property's adjusted land value by:

- deducting the value of any improvements - you may find more information about this in the 'Added value of improvements tables' for your local government area at valuergeneral.nsw.gov.au
- adjusting the sale price to reflect the property market as at 1 July in the valuing year

If you cannot find sales of similar properties in your area in the valuing year, you should consider sales from other areas or years.

You must provide the addresses, sale dates and details of how each property is or is not comparable to yours.

Examples of sales evidence

Objection example - too high

You have been issued a land value of \$500,000 in the valuing year. You consider that this is too high and have decided to object. You believe your land value should be \$410,000 so you provide the following sales evidence and rationale.

| | |
|-----------------------------------|---|
| I believe my land value should be | \$410,000 |
| Comparable Sale 1 details | Address: 29 Piper St, Anywhere Description: Lot 1/DP12345 Contract date: 4 March in valuing year Sale Price: \$670,000 |
| Rationale | 29 Piper Street is the same size and has similar views to my property. The benchmark component report has an adjusted land value of \$410,000 which supports my contended value of \$410,000. |

| | |
|----------------------------------|--|
| Comparable Sale 2 details | <p>Address: 54 Able St, Somewhere</p> <p>Description: Lot 2/ DP56789</p> <p>Contract date: 10 May in valuing year</p> <p>Sale Price: \$680,000</p> |
| Rationale | <p>This property is larger than my property and is closer to the local school and shops. The sale has an adjusted land value of \$460,000. Allowing for the improvements and larger land area this supports my contended value of \$410,000.</p> |
| Comparable Sale 3 details | <p>Address: 9 Triumph St, Anywhere</p> <p>Description: Lot 2/ DP23456</p> <p>Contract date: 9 September in valuing year</p> <p>Sale Price: \$650,000</p> |
| Rationale | <p>This sale is larger than my property with better views. The sale has an adjusted land value of \$440,000. Allowing for the improvements and views this supports my contended value of \$410,000.</p> |

Issues relevant to your land value

You must tell us about the issues impacting your land value as part of your supporting rationale. The types of issues you may select include:

- Access constraints
- Planning issues
- Environmental issues such as bushfires, flooding, erosion/subsidence or contamination
- Physical impact of easements
- Heritage
- The valuations are incorrectly apportioned
- Property should be valued together
- Property should be valued separately
- Incorrect application of land value concession or allowance
- Other

You should carefully identify and explain the issues that you consider are relevant as there is no opportunity to provide further issues later. The issues you raise in your objection will be considered by the Valuer General and addressed in the valuation report.

Property inspection request

If you believe your property should be inspected in order to determine your objection, you must select one of the reasons below and provide a rationale.

- Environmental impact
- Physical impact of easements
- Access issues
- Loss of views

Objecting to different property types

Strata properties

Valuers determine the land value for the whole site of a strata scheme.

We give the strata representative a Notice of Valuation showing this land value at least every three years. We do not value individual units or give a Notice to each unit owner.

Instead, each unit's land value is a portion of the whole strata scheme's land value, based on the unit entitlement in the strata plan.

Revenue NSW sends registered land tax clients an assessment notice, which shows the individual unit land value used to calculate your land tax based on the unit entitlement.

You may find the land value for a strata scheme or an individual unit at valuergeneral.nsw.gov.au.

Who may object to a strata scheme?

Only the strata scheme representative may lodge an objection to the strata scheme land value on a Notice of Valuation.

Individual unit owners cannot lodge an objection to the strata scheme land value on a Notice of Valuation. They should contact their strata representative if they are concerned.

However, land tax liable unit owners may lodge an objection to the strata scheme land value if they receive a land tax assessment.

Rural properties

Rural land is land zoned for rural use or where rural activities are allowed. Landowners or rate paying lessees of rural land may object to a rural land value.

To best support your objection, you should reference sales of similar properties from the benchmark component report, valuation sales report or other sales information.

The sales should demonstrate that your suggested land value is correct.

Consider the features of your land when comparing sales evidence to your property, such as:

- classification, like cropping, grazing, river flats and timbered hill country
- access and location
- highest permitted use
- soil type
- productivity and size
- value as a lifestyle block.

If the land area, dimensions or description are incorrect

You may tell us if any of your property information is incorrect.

| Objection example | |
|-------------------|--|
| Issue | The area on my Certificate of Title is different than on my Notice of Valuation. |

If the valuations are incorrectly apportioned

You may ask us to review how your land value is apportioned if you think it is incorrect.

If land is developed or used for both commercial and residential purposes, its apportioned value is the percentage of the commercial part's rental value compared to the property's total rental value. This is called Mixed Development Apportionment Factors (MDAF) or Mixed-Use Apportionment Factors (MUAF).

If the site of a building is made up of more than one parcel of land, with different owners, subdivided horizontally, each parcel will have its land value apportioned. This applies a percentage to the site's total land value to compare the relevant part of the building's rental value to the building's total rental value.

If land is in two or more local government areas, its apportioned value is based on the proportion of the total property in each area.

| Objection example | |
|-----------------------|---|
| Suggested MDAF | My property includes a shop at the front with a flat at the rear and has a MDAF of 80%. I think the MDAF should be 67%. (You must provide documents to support your statement about the rent). |
| Market rental | For the flat: \$500/week, for the shop: \$1,000/week |
| Conclusion | I think this market evidence supports a MDAF of 67%. |

If we should have valued land together or separately

Valuers value multiple parcels:

| separately when | together when |
|--------------------------------------|------------------------------|
| owned by different people | owned by the same person |
| not adjoining or separated by a road | adjoining |
| separately leased | no part is separately leased |
| adapted for separate use | not adapted for separate use |

Valuers also value separate parcels of rural land together if the land is worked as one holding for agricultural or pastoral use.

If concessions or allowances are incorrect or missing

Concessions and allowances are applicable to land value and not personal circumstances, such as pensioner concessions.

Concessions include a heritage concession (if your property is on the State Heritage Register) and allowances include profitable expenditure and subdivision allowances.

| Objection example 1 | |
|---------------------|---|
| Issue | I developed my land 2 years ago. The profitable expenditure and subdivision allowances have not been provided with my land value. I have included details of the nature, date and cost of the works with my objection. |
| Conclusion | As the land has not been sold, I believe these allowances still apply. |

Objection example 2

| | |
|------------|---|
| Issue | My property is on the State Heritage Register, but my Notice of Valuation doesn't have a heritage value. I have included a copy of the listing. |
| Conclusion | I am entitled to a heritage concession. |

Processing your objection

Review of your land value

If you have asked us to review your land value and provided evidence to support your objection, a valuer who did not make the original valuation will undertake the review.

During this process, the valuer will:

- assess the supporting evidence you provide
- compare your land value to sale prices of similar properties to see if it is in line with market evidence.

This comparison will include sales that are available during the review, which may mean they were not available when we originally valued your land.

The valuer will inspect your property if:

- the objector has valid reasons why an inspection is required
- the valuer deems it necessary to inspect

We will provide you with a copy of the valuer's preliminary report. You will then have 21 days to request a conference at which you can ask any questions or tell us if there are any matters raised in your objection submission that haven't been addressed or if there is a substantive error of fact.

We will consider the information you provide before we finalise your objection. If we don't hear from you by the due date, we will base our final decision on the valuer's preliminary report.

We will review your property information

If you ask us to review your property information and provide evidence to support your objection, we will review it and make changes as needed. We may contact you to discuss this.

If we change your property information, we will also check if this affects your land value. If it does, valuers will prepare a new valuation.

We will send you a new Notice of Valuation if we change your property information or your land value.

Quality Assurance

The majority of reviews are undertaken by contract valuers on our behalf. For quality assurance, we may review valuation reports prior to writing to you with the contract valuer's recommendation. The valuation report is reviewed to ensure fairness and compliance with the Valuation of Land Act 1916, case law and Valuer General policy. Reviews for quality assurance will always be undertaken by a valuer who did not make the original valuation.

Our decision

We will write to you within 90 days to give you the outcome of your objection.

We will also advise your council and Revenue NSW if we change your land value and they may adjust your rates and taxes.

You may appeal our decision

If you are not satisfied with the objection outcome, you may appeal to the NSW Land and Environment Court.

You must lodge your appeal within 60 days of the date we issue your objection determination letter.

- www.lec.justice.nsw.gov.au
- 02 9113 8200
- GPO Box 3565, Sydney NSW 2001
- Level 4, Windeyer Chambers
225 Macquarie Street,
Sydney NSW 2000.

More information

You can visit

www.valuergeneral.nsw.gov.au

or call us on 1800 110 038 throughout the valuation process.

