

Division 3 Site value and unimproved value

Subdivision 3 Site and non-site improvements

23. What are site improvements

- (1) **Site improvements**, to land, means any of the following done to the land:
 - (a) Clearing vegetation on the land;
 - (b) Picking up and removing stones;
 - (c) Improving soil fertility or soil structure;
 - (d) If the land was contaminated land as defined under the Environmental Protection Act 1994 – works to manage or remedy the contamination;
 - (e) restoring, rehabilitating or improving its surface by filling, grading or levelling, not being irrigation or conservation works;
 - (f) reclamation by drainage or filling, including retaining walls and other works for the reclamation;
 - (g) underground drainage;
 - (h) any other works done to the land necessary to improve or prepare it for development.
- (2) However, a thing done as mentioned in subsection (1) :
 - (a) Is a site improvement only to the extent it increase the land's value; and
 - (b) Ceases to be a site improvement if the benefit was exhausted on the valuation day.
- (3) Also, excavating the land for any of the following is not a site improvement:
 - (a) Footings or foundations;
 - (b) Underground building levels. *Example of an underground building level – an underground car park.*
- (4) In this section –
clearing vegetation on land –
 - (a) means removing, cutting down, ringbarking, pushing over, poisoning or destroying in any way, including by burning, flooding or draining: but
 - (b) does not include destroying standing vegetation by stock or lopping a tree.

Division 5 Allowance and concessions
Subdivision 1 Deduction for site improvement costs

41. Making deduction application

- (1) A deduction application may be made—
 - (a) as an objection ground for an objection, in the way provided for under section 113; or
 - (b) at any other time in the approved form.
- (2) In either case, the application must—
 - (a) state the following—
 - (i) full details of the site improvements the subject of the application, including the cost of the works for the improvements;
 - (ii) who carried out the works;
 - (iii) when the works were finished; and
 - (b) be accompanied by—
 - (i) evidence that the applicant paid for the improvements in the last 12 years and when the payment was made; and
 - (ii) all documents in the applicant's possession or control relating to the cost of the works for the improvements.

42. Deciding deduction application

- (1) The valuer-general must consider a deduction application and decide whether to—
 - (a) refuse to grant the applicant a site improvement deduction; or
 - (b) grant the applicant a site improvement deduction for all or part of the site improvements the subject of the deduction application.
- (2) However, the valuer-general can not do the following—
 - (a) if the applicant's right to make or continue with the application ceases under section 40(2)—decide or continue to decide the application;
 - (b) if the applicant's right to make or continue with the deduction application ceases for a part of land—decide or continue to decide the application for that part.
- (3) The valuer-general must give the applicant notice of the decision as soon as practicable after making it.

Note—

Under chapter 3, the owner's right to object to the next valuation includes a right to object to a decision under this section, but not for a decision in relation to any subsequent valuations—see section 113

(Required content of objections).

43. Valuations to which site improvement deduction applies

- (1) This section applies if a person who is an owner of land is granted a site improvement deduction for the land.
- (2) The amount of the deduction provided for under section 44 must be deducted from—
- (3) Also, if the person ceases to be the owner of a part of the land, the amount of the deduction is lost for that part from when a maintenance valuation is made for the cessation.
- (4) In this section, a reference to cessation of ownership includes cessation because of a compulsory acquisition of the land.
- (5) In this section—
 - (a) the relevant valuation; and
 - (b) subsequent valuations for the land until the earlier of the following happens—
 - (i) the next annual valuation after the end of 12 years from when all of the costs for the improvements were paid;
 - (ii) the person ceases to be the owner of all of the land other than because of an event mentioned in section 40.

relevant valuation means—

- (a) if the deduction application was made as an objection ground—the valuation objected to; or
- (b) otherwise—the valuation for which a valuation notice is next to be given to the owner.

44. Amount of site improvement deduction

- (1) The amount of the site improvement deduction for a valuation to which it applies is the added value of the site improvements on the valuation day.
- (2) However, the added value can not—
 - (a) be more than the actual cost on the valuation day of carrying out the works for the site improvements; or
 - (b) include—
 - (i) interest or professional costs; or
 - (ii) costs relating to obtaining a development approval or other approval for the works.

Note—

Under chapter 3, the owner's right to object to a valuation to which the site improvement deduction applies includes a right to object to the decision on a deduction application concerning the land—see section 113 (Required content of objections).

- (3) Also, if part of the site improvement deduction is lost under section 43, the added value is reduced proportionately to the change in the land's area.