



# Land values for irrigation properties



## What is land value?

Land value is the value of your land only. Land value does not include the value of your home or other structures and improvements on your land such as irrigation infrastructure, pumps and channels. However, works including clearing, draining, filling and retaining walls not being works of irrigation or conservation are included in your land value.

## How was land value determined before 1 July 2005?

Up until 1 July 2005, the *Valuation of Land Act 1916* required land values for irrigable land to include the added value of any licence to take water.

Land value of irrigable land was the value of the land with the water right(s) 'in situ' and was based on sales of properties with water rights.

## What was the effect of the *Water Management Act 2000*?

The *Water Management Act 2000* provides for the replacement of water licences as they used to exist with water access licences, water use approvals and water supply works approvals.

Water access licences are the rights to hold an allocation of water from a stream or bore. These are not attached to land and are available for trading on the open market.

Water use and works approvals are the rights to equip and irrigate particular areas of land. These approvals are attached to land and reflect the ability of a property to be irrigated. They are only transferable with the land.

## How is land value determined now?

Valuations made since 1 July 2005 must ignore the existence of the water access licences (section 6A (4) of the *Valuation of Land Act 1916*).

Land value must ignore the added value of the right to take water conferred by a water access licence, but includes the water works and use approvals and must reflect the physical features of land including its proximity to an irrigation water supply.

Land values will continue to be based on the analysis of sales of comparable property. These sales demonstrate the added value for water works and use approvals attached to the land. However, as these approvals are currently readily obtainable market evidence indicates that works and use approvals do not add value at this stage.

## When will my land value change?

Councils usually receive general valuation lists containing new land values for rating purposes every three to four years. When councils receive new valuations the Valuer General provides landowners with their Notice of Valuation.



Department of Lands

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The Valuer General has issued all affected councils and landowners with new land values that ignore the existence of water access licences.

The Local Government (General) Amendment (Rates for Irrigable Land) Regulation 2007, provides councils with the option to delay using the new land values that ignore the existence of water access licences for rating until the next general revaluation for the local government area.

If you would like more information on the determination of your rates you should contact your council.

## How do I find out more about the valuation process?

You can find out more information about the valuation process by visiting the Department of Lands website, [www.lands.nsw.gov.au](http://www.lands.nsw.gov.au) or by phoning our toll free number on **1800 110 038**.

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