



## COMMISSIONER'S PRACTICE TAA 8.4

### VALUATION OF LAND FOR STAMP DUTY AND DUTIES PURPOSES

#### Commissioner's Practice History

Commissioner's Practice	Issued	Dates of effect	
		From	To
TAA 8.0	21 October 2003	21 October 2003	14 September 2006
TAA 8.1	15 September 2006	15 September 2006	30 November 2006
TAA 8.2	1 December 2006	1 December 2006	11 January 2007
TAA 8.3	12 January 2007	12 January 2007	30 June 2008
TAA 8.4	1 July 2008	1 July 2008	20 December 2010

This Commissioner's practice outlines the circumstances when land (other than mining tenements, and life and remainder interests) will be valued by the Commissioner for stamp duty and duties assessment purposes.

Stamp duty valuations will be made for all *Stamp Act 1921* liabilities that arise on or before 30 June 2008. Duties valuations will be made for all *Duties Act 2008* liabilities that arise on or after 1 July 2008.

#### Background

Section 21 of the *Taxation Administration Act 2003* ("TAA") gives the Commissioner the power to require a taxpayer to provide any information in his or her possession or control that is relevant to determining the value of any property, consideration or benefit, for the purposes of a taxation Act.

Section 22 of the TAA gives the Commissioner the power to have a valuation made of, or adopt any available appropriate valuation of, any property, consideration or benefit for the purposes of a taxation Act.

#### Commissioner's Practice

##### *Circumstances when valuations are required*

1. Stamp Duty and Duties Valuation Forms (City, Town and Suburban Land, or Country Land) provide a means for information relating to land to be provided to the Commissioner for valuation purposes. These forms are available at [www.osr.wa.gov.au](http://www.osr.wa.gov.au).

2. The appropriate stamp duty or duties valuation form and any other information considered relevant by the Commissioner, is required to be provided in respect of a transaction where:
  - 2.1 The parties are related or not otherwise dealing at 'arm's length'. This includes but is not limited to:
    - parties related by blood or marriage;
    - related companies, as defined in the *Corporations Act 2001*;
      - partners in a partnership;
      - participants in the same joint venture;
      - trustees of trusts which have common beneficiaries;
      - joint owners of property; and
      - entities with other significant business relationships;
  - 2.2 There is no consideration for the land, or the consideration appears to be inadequate or is unascertainable; or
  - 2.3 Any other circumstance where the Commissioner considers a valuation would be appropriate.

#### Additional information and documents required

3. In individual cases the Commissioner may require provision of further information in addition to that provided for in the stamp duty or duties valuation form.

#### Obtaining valuation

4. The stamp duty or duties valuation form, together with any other information provided, will be referred to the Valuer General to enable valuation of the land. Alternatively, the Commissioner may elect to refer the matter to other expert valuers.

#### Valuation by Licensed Valuers

5. Matters involving the valuation of land are not required to be referred to the Valuer General when a valuation made by a person who holds a licence under the *Land Valuers Licensing Act 1978* is received, and the total value of the land (not merely interests conveyed or transferred) does not exceed \$400,000.
6. A valuation made by a licensed valuer will only be accepted if made within three months of the date of the transaction, and advice is received confirming that no improvements have been made to the land since the valuation was conducted.
7. Notwithstanding paragraphs 5 and 6 above, if for any reason a valuation made by a licensed valuer appears unusually low, then it will be referred to the Valuer General for consideration.

8. Should the Valuer General increase the value, the matter will be brought to the attention of the Director, Group 2 for consideration of any further action in respect of the matter.

**Date of Effect**

This Commissioner's practice takes effect from 1 July 2008.

Bill Sullivan  
COMMISSIONER OF STATE REVENUE

1 July 2008