



Finance Act 1931

1931 CHAPTER 28

PART III

LAND VALUE TAX

Valuation

11 Ascertainment of values

- (1) Subject to the provisions of this section, the Commissioners of Inland Revenue (in this Part of this Act referred to as “the Commissioners”) shall, as soon as may be after every valuation date, cause to be ascertained, as at that date, the land value of every land unit, that is to say, the amount which the fee simple thereof with vacant possession might have been expected to realise upon a sale in the open market on the valuation date upon the assumptions that at that date—
- (a) there were not upon or in the unit—
 - (i) any buildings, erections, or works, except roads, and except works executed for agricultural purposes, and except any buildings, erections, and works in so far as they are necessary for the reclamation of land or the protection thereof from flooding or for maintaining the stability of the unit;
 - (ii) anything growing on the unit except grass, and except any heather, gorse, sedge, or other natural growth, and, in the case of agricultural land, except also hedges and trees :
 - (b) the sale price had been computed without taking into account—
 - (i) the value of any minerals, as such, or the value of any mineral wayleaves;
 - (ii) the felling value of any trees;
 - (iii) the value of any shooting or fishing rights;
 - (iv) the value of any tillages or manure, or of any improvements specified in paragraphs (20) to (27) of the First Schedule to the Agricultural Holdings Act, 1923, being tillages, manure or improvements for

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which any sum would by law or custom be payable to an outgoing tenant:

- (c) the sale, save as hereinbefore in this section expressly provided, included all property and rights which, if the unit had been conveyed at the valuation date, would, by virtue of subsection (1) of section sixty-two of the Law of Property Act, 1925, have been deemed to be included in the conveyance there being assumed to be no contrary intention expressed in the conveyance:
 - (d) the unit was free from any incumbrance (not including tithe, tithe rentcharge, or other payment in lieu of tithe) except any of the incumbrances mentioned in the First Schedule to this Act.
- (2) Where at any valuation date any land unit comprises agricultural land, the Commissioners shall, in addition to ascertaining the land value of the unit, cause to be ascertained the cultivation value at that date of the agricultural land comprised therein, that is to say, what would have been the land value of the agricultural land as ascertained in accordance with the provisions of the last foregoing subsection if—
- (a) there had been a restriction imposed by law on the user of the agricultural land permanently prohibiting its use for any purposes other than agricultural purposes of the class or classes for which it was actually used at the valuation date; and
 - (b) it had not been assumed that there were not upon or in the unit any agricultural cottages or agricultural buildings used solely in connection with the agricultural purposes of the class or classes aforesaid.
- (3) Subject as hereinafter provided, every piece of land in separate occupation at the valuation date shall, for the purposes of this Part of this Act, be a land unit:
- Provided that—
- (a) where two or more parts of a piece of land (being a piece of land in separate occupation) are at the valuation date in different ownership, every such part shall be a land unit, and any such parts shall be deemed to be in different ownership notwithstanding that they may be owned by the same person if those parts are vested in him for different estates or in different capacities:
 - (b) where any building is divided horizontally and the several divisions are at the valuation date in different separate occupations or in different ownership, none of the divisions shall be deemed to be a land unit, but the site of the building (with its curtilage) shall be a land unit, and this Part of this Act shall apply to every owner of a division as if he were an owner of that unit:
 - (c) where in the case of two or more pieces of land in different separate occupations but owned by the same owner the Commissioners are of opinion that a prudent vendor would sell the pieces of land as one lot, the Commissioners may, if they think fit, treat those pieces of land as one land unit, and references in this Part of this Act to a land unit shall have effect accordingly.
- (4) The valuation of a land unit under this section shall be made upon the basis that all land not comprised in the unit (including any minerals or mineral wayleaves which are excluded from the unit by reason of their being in separate occupation or ownership) and everything thereon and therein was in its actual condition at the valuation date and that all the circumstances affecting such land and everything thereon and therein (including circumstances preventing the obstruction of access of light and air to the unit) were the actual circumstances at that date :

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Provided that the value of a land unit shall not be deemed to be increased by reason of any other land unit being subject to any incumbrance from which that other unit would, under subsection (1) of this section, be deemed to be free for the purposes of the valuation thereof.

- (5) If the owner of a land unit furnishes to the Commissioners his estimate of the land value or of the cultivation value of the unit, the Commissioners shall consider it in making the valuation thereof.
- (6) Where the Commissioners are satisfied that at any valuation date any land unit is exempt from tax under the provisions of this Part of this Act relating to exemptions, the unit shall not be valued under this Part of this Act as at that valuation date, but if tax becomes chargeable in respect of any such land before the next subsequent valuation date, the Commissioners shall cause a valuation of the unit in respect of which tax has become chargeable to be made as at the date from which the tax became chargeable, and for the purposes of any such valuation the foregoing provisions of this section shall have effect as if references to that date were therein substituted for references to the valuation date.