



# Coal Act 1938

## 1938 CHAPTER 52

### PART I

#### UNIFICATION OF COAL MINING ROYALTIES

##### *Compensation of existing owners*

#### **7 Ascertainment and distribution of compensation**

- (1) The sums to be paid for compensation as aforesaid shall be ascertained by valuation, in accordance with the provisions of this section, of the interests, other than retained interests, that subsist at the valuation date in coal, mines of coal and acquired property and rights (in this Act referred to as "acquired interests").
- (2) The subject of each valuation shall be a unit (in this Act referred to as "a holding") consisting of an acquired interest, or of a group of such interests, that is under the provisions of the Third Schedule to this Act to constitute a unit for compensation purposes.
- (3) In order for compensation to be payable in respect of any holding, the requirements of the Third Schedule to this Act as to—
  - (a) the registration of particulars under the Coal (Registration of Ownership) Act, 1937 (in this Act referred to as the "Registration Act"); and
  - (b) the making of claims for compensation;must be satisfied within the limits of time specified in that Schedule.
- (4) The value of a holding shall be taken to be the amount which the holding might have been expected to realise if this Act had not been passed and the holding had been sold on the valuation date in the open market by the existing owners thereof, selling as willing vendors to a willing purchaser, under a contract providing for completion thereof on the vesting date, so however that, where a right to withdraw support is to vest in the Commission with coal or a mine of coal in which a holding subsisted, it shall be valued as if each of the existing owners thereof, having power to grant that right to the purchaser for an interest corresponding to the existing owner's interest in

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the coal or mine, had agreed so to grant it in addition to any acquired rights in which the holding subsisted.

- (5) The said amount shall be ascertained, subject to the provisions of the Third Schedule to this Act, by the Regional Valuation Board established under the Third Schedule to this Act, and where the premises in which a holding subsisted include subsidiary coal hereditaments, the Regional Valuation Board shall also ascertain the parts of that amount that are attributable to principal and to subsidiary coal hereditaments respectively.
- (6) The Regional Valuation Board shall certify to the Commission the amounts ascertained by them under the preceding subsection in respect of each holding in their region for which compensation is payable, indicating which of those amounts are amounts attributable to principal and to subsidiary coal hereditaments respectively.
- (7) There shall be paid in respect of each holding in any valuation region for which compensation is payable—
  - (a) a sum bearing to the amount certified in respect thereof as attributable to principal coal hereditaments the same proportion as the amount of the regional allocation for that valuation region bears to the aggregate of the amounts so certified in respect of all such holdings in that valuation region; and
  - (b) a sum equal to any amount certified in respect thereof as attributable to subsidiary coal hereditaments.
- (8) The sum or sums to be paid in respect of any holding shall be a debt due from the Commission to the person entitled, in accordance with the provisions of the Third Schedule to this Act, to the compensation for the holding, payable on the vesting date, and the said sum or sums, or, where any payment on account thereof is made, the part thereof for the time being remaining due, shall carry interest from the vesting date to the date of actual payment thereof at the rate per cent. equivalent to the average yield (as ascertained by the Treasury) as on the vesting date of the Government securities prescribed by the Treasury in accordance with the provisions of Part II of the Land Settlement (Facilities) Act, 1919.
- (9) Subject as aforesaid, the compensation payable under section six of this Act shall be ascertained and paid subject to and in accordance with the provisions of the Third Schedule to this Act.