



UNIVERSITI TUN HUSSEIN ONN MALAYSIA

**FINAL EXAMINATION
SEMESTER I
SESSION 2012/2013**

COURSE NAME : STATUTORY VALUATION
COURSE CODE : BPE 22703
PROGRAMME : 2 BPD
EXAMINATION DATE : DECEMBER 2012 / JANUARY 2013
DURATION : 3 HOURS
INSTRUCTION : 1. PART A
ANSWER **TWO** FROM THREE
QUESTIONS
2. PART B
ANSWER **TWO** FROM THREE
QUESTIONS

THIS QUESTION PAPER CONSISTS OF **THREE (3)** PAGES

PART A

Q1 Property rating is a tax levied by a Local Authority on the ownership of a property if it is identified as a "rateable" holding which falls within the Local Authority's area of jurisdiction.

(a) Explain the meaning of holding under the Local Government Act 1976. (10 marks)

(b) Discuss the circumstances in which a State Authority can exempt a holding or part thereof from levying of rates. (15 marks)

Q2 The basis of assessment provided under Section 2 of the Local Government Act 1976 is Annual Value or Improved Value of holdings as the State Authority may determine.

(a) Explain the meaning of Annual Value within the context of the hypothetical tenancy principle. (10 marks)

(b) Discuss with examples how the differing rentals charged for each unit in a row of shops are adjusted for market rental values to conform to the Annual Value definition prescribed by statute for the purpose of rating valuation. (15 marks)

Q3 A development charge is levied by Local Authorities under the Town and Country Planning Act 1976 on changes or improvements made on the land use or density of a site.

(a) Explain the circumstances in which such development charge can be levied on changes or improvements made on the land use or density of a site. (10 marks)

(b) Discuss the effects on the supply of land and level of land values arising from the levying of development charges within the central business district in a municipality. (15 marks)

PART B

- Q4** Your client has just bought a 4 storey shop house in Pura Kencana for a price RM 800,000. The date of agreement was 1st January 2010 but the date of transfer was 1st October 2012. The present market value of the property is RM 1 million.
- (a) Explain in details as to how the stamp duty is determined. (10 marks)
 - (b) State the significant of stamp duty. (5 marks)
 - (c) Calculate the stamp duty payable by your client according to the latest amendment of the Duty Stamp Act 1949. (10 marks)
- Q5**
- (a) The Real Property Gains Tax Act 1976 is to curb inflation or minimize speculation of property market. Explain the following statement according to the provisions in the act.
 - (i) Acquisition Price (5 marks)
 - (ii) Disposal Price (5 marks)
 - (b) Puan Rahmah has just sold her orchard land for RM 300,000. She bought the land in 2009 at RM 250,000. Calculate its chargeable gain and tax payable. (15 marks)
- Q6** The Land Acquisition Act 1960 empowers the State Authority to acquire private lands for public purpose.
- (a) State relevant provisions under the Federal Constitution regarding Compulsory Acquisition. (5 marks)
 - (b) What is the limitation on award? (5 marks)
 - (c) With reference to Schedule 1, explain five (5) factors to be considered in determining market value for compensation. (15 marks)

-END OF QUESTION-