

Unimproved country requiring supplements of protein and nutrients will cost large amounts of capital to purchase those nutrients to be fed to the cattle in optimizing a carrying capacity (CC) to a minimum necessary to acquit a minimum expenditure of other capital improvements to work the land to a minimum level of viability.

That expenditure should be viewed as "Invisible Improvements" and can be deducted from the Improved Capital Value with simple comparative arithmetic.

I.E. UCC (Unimproved Carrying Capacity) = say 3 hd /SqK.+ expense of \$28 / Hd / pa = ICC (Improved CC) of 7 hd/Sq K.

To derive UCV (Unimproved Capital Value) Deduct other fixed improvements from sale price if sold bare of stock and movable plant - divide the residue by improved CC of 7 =Y (BAV- Beast area value)

The value of country at sale of better or lesser quality will be reflected in direct ratio by a better or lesser BAV at sale.

UCC without cost of extra nutrition is say 3 hd/ SqK Therefore UCV = Y x 3.

1. Currently the VG is utilising the Lessees' expenditure on deficient pasture (which is owned by the crown and leased to the Lessee) to the benefit of the Crown and then taxing the Lessee by way of rent derived from the inflated UCV on that value.

2. By not transferring the improvements at 100% of their sale value the VG is by definition transferring the amounts he has deducted to the crown.

Valuations of Land Act 1993.

4. i) improvements

in relation to land, means improvements on or appertaining to the land, whether **visible or invisible** and whether made or acquired by the owner or a predecessor in title of the owner, and includes any destruction of suckers and seedlings that is incidental to the destruction of other vegetable growths and of animal pests on the land to the extent only to which the destruction retains its effectiveness, but does not include the destruction by a person of any vegetable growths or animal pests that are allowed to establish themselves on the land during his ownership except to the extent, if any, to which that destruction consists wholly or partly of the further destruction of any vegetable growths or animal pests which, after having apparently been destroyed, are again allowed to establish themselves on the land.

LEGISLATIVE ASSEMBLY OF THE NT
TABLED DOCUMENTS

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9 Unimproved capital value

(1)

For the purposes of this Act, the unimproved capital value of land (other than a stratum) is

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(a)

the capital sum which the fee simple of the land might be expected to realize if offered for sale on such reasonable terms and conditions as a seller in good faith would require, assuming that any improvements, other than site improvements, on or appertaining to the land had not been made; or

(b)

the sum which would be obtained by deducting the value of any improvements, other than site improvements on or appertaining to the land, from the improved capital value of the land, whichever is the greater.

(2)

Notwithstanding anything in subsection (1), in determining the unimproved capital value of any land under that subsection it shall be assumed that

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(a)

the land may be used or continued to be used for any purpose for which it was being used or could be used at the date to which the valuation relates; and

(b)

such improvements on or appertaining to the land are made or continued as are necessary to enable the land to be or continue to be so used,