



Gross Rental Value Valuation Policy 3.105

Outgoings Included in Gross Rental Value

Background

In Section 4 of the *Valuation of Land Act 1978*, the definition of Gross Rental Value includes the words "... upon condition that the landlord were liable for all rates, taxes and other charges thereon **and the insurance and other outgoings** necessary to maintain the value of the land ...".

The terms '**insurance**' and '**other outgoings**' should be interpreted according to the following policy.

Policy

Outgoings that will be included in the process of determining Gross Rental Value are all expenses and charges ultimately met by the lessee which form part of the cost of occupation – for example, rent or building insurance. The Gross Rental Value will not include costs and expenses which relate solely to the lessee's business – for example, electricity or cleaning costs.

Date of Most Recent Review

31 January 2006

Authorising Officer

A handwritten signature in black ink, appearing to read 'G Fenner'.

G Fenner, Valuer General