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**UNIVERSITI TUN HUSSEIN ONN
MALAYSIA**

**FINAL EXAMINATION
(ONLINE)
SEMESTER I
SESSION 2020/2021**

COURSE NAME : STATUTORY VALUATION
COURSE CODE : BPE 22703
PROGRAMME COD : 2 BPD
EXAMINATION DATE : JANUARY / FEBRUARY 2021
DURATION : 3 HOURS
INTRUCTION : ANSWER ALL QUESTIONS

THIS QUESTION PAPER CONSISTS OF THREE (3) PAGES

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- Q1** The Local Government Act 1976 provides the discretion for a State Authority to adopt either the Annual Value or Improved Value basis of assessment on holdings for rating taxation purposes.
- (a) Discuss the meaning of Annual Value and Improved Value under the Local Government Act 1976 with appropriate examples. (10 marks)
- (b) Justify the advantages and disadvantages of adopting the above basis of assessment for imposing rates in this country. (15 marks)
- Q2** (a) The adoption of the tone of the existing valuation list for new rateable properties has ensured that the tax efficiency criteria of fairness exists in the imposition of rates.
- Discuss the implications if the above provision is not adopted in the valuation of new rateable properties. (10 marks)
- (b) The Land Acquisition Act 1960 empowers the State Authority to acquire alienated private lands for public purposes.
- Discuss the factors to be taken into account for the purpose of determining compensation. (15 marks)
- Q3** The Town and Country Planning Act 1976 provides for Local Authorities to levy a betterment tax known as a development charge.
- (a) Explain the rationale of levying a development charge. (5 marks)
- (b) Justify the implications on impositioning the development charges towards the increase in supply and value of lands within the central business district of a township. (20 marks)

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Q4 Your client, a public listed company, owns a big bungalow which was acquired in 2006. The property was acquired in a poor state of repairs and had since been renovated extensively to house the present Chief Executive Officer. The company plans to dispose of this property and now seek your advice on the real property gains tax payable

(a) Advise your client regarding tax implications.

(10 marks)

(b) Illustrate the process of the tax calculation.

(15 marks)

-END OF QUESTIONS-

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