

Contextual Analysis of Act 171 of 1976 Approaches to Property Assessment for Rating Purposes in Peninsular Malaysia.

Sani Habibu Muhammad¹, Assoc. Prof. Dr Mohd Bakri Bin Ishak²

¹ Department of Environmental Management & Planning, Faculty of Environmental Studies, University Putra Malaysia (UPM).

² Assoc. Professor, Faculty of Environmental Studies, University Putra Malaysia (UPM). sanihabibu@gmail.com

Abstract: The Malaysian Constitution is structured in such a manner to allow state Governments make laws and legislations to suite their local circumstances in line with parent Acts. This intention is not intended to create operational diversity and disharmony with the constitution as well as inequality and unfairness among the citizens. Documentary analysis in comparison with International good practices using decided cases to support the analysis was carried out. The local Government Act 171 of 1976 was enacted with sole objective of unifying operational practices as a guiding legislation to all local authority. There exist in the Act some ambiguities on the area of approach to the assessment of real property for rating purposes. This has created disparity in the amount payable on a class of property in different states despite their similarities in accommodation, design, construction as well as public infrastructural facility accessibility and service provision upon which the basis for levying the assessment rates were introduced. It is therefore pertinent to harmonize the objective of the Act with the operational provision to eradicate all ambiguity in order to provide fair and equitable base for property assessment throughout peninsular Malaysia that is viable and productive.

[Sani Habibu Muhammad, Mohd Bakri Bin Ishak. **Contextual Analysis of Act 171 of 1976 Approaches to Property Assessment for Rating Purposes in Peninsular Malaysia.** J Am Sci. 2012; 8(5):226-232]. (ISSN: 1545-1003). <http://www.americanscience.org>. 29

Keywords: Property assessment, Hereditament, Case, Ambiguity

1. ACT 171 OF 1976

Article D of the Act in the preamble declared its intention to achieve uniform operations within the local authorities in peninsular Malaysia without any exception. By this declaration, it is presumed that operational policies such as assessment tax be uniform regardless of state of residence so as to achieve relatively similar cost of living and redistribute income among the various social classes. Local authority is empowered by Section 127 to impose rates subject to an approval of the state which is hardly secured in some local authorities as is the case in Ipoh city council who is working on a valuation list prepared since 1982. It is apparent that the annual property value of those properties would have significantly increased from 1982 to date. Such approvals were withheld for political reasons which is detrimental to development and functioning of the authority in the discharge of her obligations. This is evident to an extent of admitting non satisfactory performance of services in some areas which has necessitated a lower rates charge of 5% in those housing areas as against 16% from areas of satisfactory performances. Shah Alam for example charge a flat rate of 4% of the annual value of all residential properties regardless of their location and the level of services provided to the areas which is altogether lower than what Ipoh is charging despite the inherent advantage of proximity to seat of power,

located within the capital and variation in physical developmental status to mention a few comparative advantage enjoyed by Shah Alam over Ipoh.

Section 130(2-3) provided for two basis of assessment that are not comparable and never the same in any circumstances, they are the improved value approach and the annual value approach with varying percentages of charges (annual value not exceeding 35% while improved value not exceeding 5%) on developed properties, yet they are not the same and invariably the rate liability will never be the same and thus disparity in operations which contradicts the primary objective of the Act.

Article 156 of the Federal Constitution also provided for a token payment of rates by Government properties, this provision also is greatly shortchanging the local authorities as those Government buildings are given the same services with other individual holdings if not better. Besides the Government makes her business from those building and is earning income commensurate to the business undertaken. This payment of rates by Government building should be seen just as water and electricity bill are seen and treated in order for local authorities to have sufficient fund to discharge their responsibilities to avoid bankruptcy and in ability to settle contractors claims as is the current state in some local authorities.

2. Material and Methods

Documents analysis was carried out, it centered on the guiding legislations and operational practices existing within the study area consisting of Eight local Authorities of a city hall status which is the first class status going by the city grading system of the country. The choice of the class was informed by the fact all the necessary parameters to aid the analysis are inherent and operations are better standardized compared to other classes. The analysis is guided by the world common and best practices from developed jurisdictions using decided case laws as precedence.

3. Rating in International Context

Property rating as a system of property taxation dates back to 1878 in Maryland of the united states of America vide the enactment of Act 178 of 1878 with a state central system of assessment while the notification and collection of assessment rates are left with local Government. This situation is closely similar to that of the United kingdom, Germany, France and Denmark where the valuation is carried out centrally even though the proceeds were for local authority so as to minimize the challenges of manpower and administrative capabilities as observed in the world bank report (William 1991)

Article 6 of the British Local Government Act of 1988 defined rateable value of non domestic hereditament to be an equal amount estimated as rent that a hereditament might reasonably be expected to let from year to year assuming that the tenancy commences on the day the estimate was made, that the hereditament is in good/reasonable state of repair and that the tenant is responsible for the payments of all rates, taxes, insurance, and repairs necessary to keep the property in good state of repair to command the rent (RICS 1997).

Property rating as a form of taxation is traced to poor law Act 1601 where rates were levied to fund the operations of the poor law act that was introduced to provide such public services that were ordinarily difficult for individuals to provide, thus the introduction of the charge and subsequently the Crown estate Act 1851 came into being. The basis of rate levy was and is still based on annual value of the non residential properties such as business premises, and village halls on such flat rates as determined by the central Government and collected by the local authority which portrays a semblance of uniformity despite the autonomy of the local authority to ensure equity. The levy of rates is wholesome and does not exempt any property except for those properties exempted in schedule 5 of local Government finance Act of 1988 (Agricultural land, Agricultural building not used for accommodation, Fish Farms, Places of

religious worship, a property of trinity house, Sewers, property of drainage authority, public parks with free and unrestricted public access, property used for the disabled, Air raid protection works, swinging moorings and property in enterprise zone).

The united kingdom system of rating was based on a nominal annual rental value as estimated by the valuation office otherwise referred as the annual value that a property may fetch from its occupation or should have fetched assuming it was let. The system continued though not all over until when the Rating and valuation Act of 1925 was enacted which principally provided for the assessment of properties on annual value basis and revaluation of all properties for rating purpose within an interval of five years, this provision led to the revaluation exercise of properties in London in 1928/1929, 1934, 1956, 1963 and 1973. The valuation list was due for update by 1978 but could not hold until 1979 when the process begun before the abrupt interruption of the state secretary for environment for some political reasons leading to abandonment of the exercise through a public call made on the occupants to tear all forms issued for completion intended for the update of the preceding valuation list (London tax office 2011) due to some political reasons.

Rate levy on annual value continued and is further solidified in the appeal case of *Atkinson and others vs. Lord (1997) RA 413* where the case was first heard at the valuation tribunal for challenging the method applied by the valuation office (tone of the list) to arrive at the rate liability where the valuation tribunal upheld the method adopted and the rate liability despatched. The appellant did not feel satisfied and further appealed to the High court where Judge Bidder of the High court held the decision of the tribunal by issuing a decision confirming that a valuer was not required to give an exact valuation on the believe that individual valuation would only be necessary in borderline cases of which the current case before him was not such. Therefore, the valuation tribunal was right to presume that the schedule presented by local authority office was more reliable and therefore dismissed the appeal with an award of £8,100 against the appellant.

Liability for the payment of property rates was originally based on occupation and thus no rates were paid for unoccupied premises until 1966 and subsequently as amended in the local Government finance Act 1988 with no material alteration in the content of the legislation as amended to provide for liability to pay rates on the unoccupied premises known as unoccupied rates provided in section 45(1) of the Act. It states that if on the day of assessment none of the hereditament are occupied, the rate payer

is the owner of all the hereditament as at the date of assessment, the hereditament appeared in the local valuation list as at the date of assessment and the property fall within the classification of rateable properties specified by the secretary as at the date of the valuation, then of course the property is liable for unoccupied rates which is usually 50% lesser than the occupied rates.

It is worthy to note that none/ vacant occupation is not an excuse to rate liability since all hereditaments are assessed on the principle that the property is vacant and ready to let to the highest bidder who will subject the property to its highest and best use to realise the full potentials of the property, as can be seen in the case of *Meyer vs. Epsom & Edwell BC (2008) EWHC 2918 (Admin)*. The appellant a son of the owner of a property questioned the decision of the valuation tribunal wanting to overturn the decision from the point of law, the complaints was on the valuation tribunal and the billing authority on their decision to hold Mr Meyer liable for the rates payment on his mothers property post 1 April 2006 on the ground the he was the sole occupant of the premises while his mother remained the owner of the property. Although the property is no longer considered as her permanent residence as she had lived since June 2004 in residential care homes. Mr. Meyer contended that the property remained her place of residence on the argument that one of the care homes only became her residence in January 2005 or January 2006.

Whereas the billing authority have tendered the only evidence received from an appointed representative by the court of protection to handle Mrs. Meyers affairs dated 23 March 2006 upon which their decision was based. The letter contained that Mrs Meyer no longer lived at the property in question and had moved into a care home and that Mrs Meyer's son still occupied the property. The valuation tribunal did thoroughly considered the content of the letter and have not seen material evidence to support the argument that his mother's stay in any of the care home was temporal and may perhaps return to her home.

Consequently, Justice Brennan of the High court in hearing the case acknowledge that; (1) Unless there was an irrational conclusion by the valuation tribunal and there was no evidence to proof that the valuation tribunal took cognisance of irrelevant considerations and assumptions, then the parties and the High Court were bound by the findings of the valuation tribunal. (2) That even if Mrs Meyers place of residence was not one of those care homes until January 2005 or January 2006, it holds no ground as the valuation tribunal was only concerned with the determination of rate liability as

at 1st April 2006 which of course was after January 2006 as put forward by Mr Meyer. Therefore Mr Meyers' appeal was dismissed and an award of £3,407.50 was made against him. This provision justify the importance of planning based on the expected income generation from local property rates in order to meet her obligation of providing public service and at the same time discouraging property speculation and possible hoarding so that property owners will avoid void status on their properties. This is justified in the publication of London city tax office on how property rates are spent in London as follows; Protective service which covers community policing and networking takes 30%, Social and Health services 17%, Transportation services 11%, Capital financing 10%, Planning and Development 1%, Parks, Recreation and Neighbourhood, services 5%, Environmental Services 4%, Economic Prosperity 1%, Culture 5%, Corporate, Operational and Council Service 9% and Debt Charges 7%.

The Chicago institute of appraisal (2000) defined Improved value or market value as the most probable price that a property could reasonably fetch if properly exposed into market assuming all parties to the transaction have full knowledge on the market determinants, peculiarities of the property in question, the negotiation is free from undue influence with a reasonable time frame within which to negotiate /conclude the transaction and no account of any special bidder is taken into account.

The system in Denmark is slightly different even though it is based on estimated annual value, an owner or occupier of a property can estimate an annual value of his property and be accepted by the rating authority provided it falls between 15% either above or below the last estimated value by the authority. Whereas the united kingdom adopts two approach with domestic or residential properties charged property rates based on a proportion of capital value (Annual equivalent) while commercial properties are charged on the annual value.

Hong Kong applies the Annual rental value as a basis for rate liability as contained in the Rating Ordinance Cap 116 which also recognized Hong Kong as a common law jurisdiction, thus provided for the application of common Law rules together with the rule of equity in as far as they are in agreement with the local circumstances of Hong Kong. This has given way for the utilization of cases decided by the English courts for the determination of local rating cases in Hong Kong as was the case in *Yiu Lian Machinery Repairing Works Ltd & Ors vs. Commissioner for rating and valuation (1982) HKTLR32*. Where it was held that the general principle of rating law in England and Scotland are

sufficiently adequate to make decision on potential persuasive value in Hong Kong.

Singapore also uses the Gross Annual value of a property as a basis for determining rate liability on certain classification and reference to make choice from as;(a) That a 5% of the estimated Capital value of the Land and Building be adopted as the annual value of the property. (b) The annual equivalent of the gross rent at which the property is let and the assessor may have regard to any capital or periodical sums or other considerations given. (c) That a 5% of the estimated value of any land occupied as appurtenant to any house or building which is considered to be in excess of the quantity fixed by the comptroller and sanctioned by the minister, such land shall be deemed vacant and be assessed separately from the property it is appurtenant. (d) That a gross receipt of certain tourist Hotels be taken to represent their annual value. (e) That subsidiary proprietors referring to owners of units in a subdivided multistory building are to be regarded as owners of property for the purpose of taxation and there shall be no separate assessment for the land upon such a building is constructed. (f) That the grantee of a state land shall be regarded as owner of a freehold for property tax purposes and no allowance shall be made in respect of any premium or rent payable on the state grant.

The poor relief Ireland Act of 1838 was found to be the first legislation for general property valuation, valuation Act 1852 of Ireland was the first document to unify basis of valuation upon which rate liability are determined on an annual value basis of all individual tenements/ property, the system is bedeviled with absence of revaluation and consequential loss of reliability on the system causing public call for the abolishment of property rates believed to have been caused by lack of system reform for a long time which has reduced the valuation base of encompassing industrial and commercial property only thereby neglecting other category of properties. The annual value is calculated on the letting value of properties at over and above the rates, cost of repairs and insurance (Williams 2000).

4. Local Issues in Rating Assessment

Revaluation of properties at regular intervals is demanding and resource consuming and therefore requiring a cursory appraisal of cost and benefits both financial and otherwise to ascertain the viability of the venture(Kuusaana 2009). United kingdom one of the pioneer country in property rating had witnessed a break on revaluation exercise from 1973 until 1990 for fear of hostilities and loss of public votes in the poll (Muller 2001). France had its last revaluation in

1970, Germany 1964, while Russian system base its property tax charge on commercial properties on the book value of the buildings, machinery and inventory of the business thus likely to produce more income from rating exercise than all approaches in the afore mentioned countries (Muller 2001 & William 1999). California based their charge on the historical purchase price of the property thus do not require assessment or re assessment of the property rather a proportion of the historic cost is adopted as annual equivalent, yet other countries based their property rate charge only on the value of the land without the building. (Ekert 1990)

The world bank have made a pronouncement in 2002 that several reason leads in loss of revenue to some governments of mostly developing countries as Malaysia resulting to unfair distribution of tax burdens among citizens due to presentation of false rent receipt, insufficient valuation data, in appropriate valuation procedure and methods as well as administrative capacity and low academic qualification of staff handling the valuation (Bahl 1992).

Property rating in Malaysia is constitutionally authorized by section 74 (2-4) of Malaysian constitution as revised up to 2006 empowering all states without prejudice to any power to make laws conferred on it by any other article, the legislature of any state may make laws with respect to any matter enumerated in the ninth schedule or concurrent list. Section 2 (e) provided for transfer of land , mortgages , leases , and charges in respect of land and easements. Therefore property rates are regarded as a source of revenue to the local authorities as may be guided and provided for in the states laws/ legislations for the discharge of their official responsibilities (Plimmer & McCluskey 2010). Consequent upon the creation of local authorities council in peninsular Malaysia, the local authority Act 171 of 1976 for the purpose of ensuring uniformity of law, policy and operations with respect to local authority in peninsular Malaysia was enacted.

The Act provided for valuation of hereditament for rating purposes in order to generate revenue for the discharge of their official obligations subject to approval from the state authority. Those responsibilities on the local authority include but not limited to sanitary and solid waste management services, provision and Maintenance of neighborhood children play ground, public health and social welfare among others.

The Act defined Improved value as the price that an owner willing not obliged to sell might reasonably expect to obtain from a willing purchaser with whom he was bargaining for sale and purchase of the holding ". Information on sale value of

comparable properties is mostly difficult and distorted with limited reliability on the accuracy of sale information due to the inherent human nature of Tax evasion except where it becomes absolutely impossible to manipulate such sales records thus require higher level of professionalism and ethical believe from the assessor as well as his practical proficiency and academic training to decode malpractices in arriving at justifiable improved value of a property where it is the adopted approach (McCluskey & Williams ed 2000).

Additionally since the Act provided that it is a negotiation on which the owner is willing but not obliged to sale can as well be argued by the owner that what was assessed as his ratable value is outrageous as he is doubtful of any buyer willing to pay that much which the onus of proof at that point lies with the assessing authority and subject to acceptance of the owner. The definition of Improved value seems rather scanty in the Act but was further elaborated by **Buhagior. J.** in the land acquisition case of *Nanyang Manufacturing Co. vs. The collector of Land Revenue, Johore (1954)* and the court did clearly enumerated methods and procedures/ principles to be used in determining improved value as was summarized by (Usillapan 1988) in the case of *Ng Tiou Hong vs. Collector of land revenue Gombak (1984)*, *Syed Agil Barakbah F.J.* as follows;

a) Improved value is the price which a willing seller may reasonably expect from a willing buyer ensuring that all the elements of deliberate withhold of consent from the seller and sentimental low value offer from the buyer are disregarded and does not form the basis of determining the improved value and thus must be treated on an arm length transactional manner on the parties without any undue influence or element of compulsion from either of the parties.

b). That it is equally acceptable for the improved value to be estimated on the analysis of comparable sale transaction of similar property within the locality having similarity in quality and position. This aspect have ignored some fundamental issues especially where the property is developed thus the need to consider the difference in the design, accommodation schedule and layout as well the nature of interest subsisting on the property.

c). That the potentialities of the property should be taken into consideration which involves consideration of the present use to which the property is subjected to as at the time of the assessment as well latent value/ development potentials of the land for alternative and most viable investment. This aspect is critical and requires a lot technical knowhow especially on development valuation/ Residual valuation as well as cost benefit analysis.

d). That while considering the nature of the land, absolute regard should be given to location advantage or otherwise of the land on availability of access roads, nature of development within the locality and its nearness to focal point of the city or the central business area as well as the likely hood of future development.

e). That value estimate from experts are undoubtedly some evidence but should not given too much emphasis unless they are supported by, or have coincided with other evidence

whereas the Annual value is defined as " the estimated gross rent at which the holding might reasonably be expected to let from year to year assuming it is a lease on full repairing and insurance, no account of rent restrictions as statutory restrictions is taken into account, no account of additional value to plant and machineries otherwise fixed for the purpose of repairing the premises while a vacant land, un completed building, abandoned building or obsolete and unfit for human habitation be assessed on 10% of its open market value being a proportion of the capital value adopted as an estimated annual value. Item "D" at the preambles of the Act provided for the application any appropriate method to determine the annual value of such properties with insufficient evidence of annual value to be used as ratable values, this definition concurred to the judgments on *Garton vs. Hunter 1969*. From the foregone concept, it can be seen that the Act is more elaborate on the annual value then improved value.

Section 130(2)a of the Act provided that rate assessed on annual value shall not exceed 35% of the annual value of the holdings whereas Section 130(3) is concerned with assessment made on improved value not to exceed 5% of the improved value. Worthy of note at this point is the object of tax which is the annual income derived in case of properties on rent or expected to derive in case of properties on owner occupier, the assertion are that where a contrary approach for example improvement value is adopted, the nomenclature of the object for taxation has changed and reasonably expected that the tax rate or percentage be applied directly on the assessed improved value which will eventually produce higher than assessment on annual value. Hypothetical illustrations could explain the disparity where you have a two bed room flat assessed on improved value at Rm120,000 while the rent receivable from the property on annual basis is RM 7800 per annum, if all the ceiling limits of 35% & 5% are respectively adopted on the assessed values, the rate liabilities will be RM 2730 for assessed annual value and RM 6000 for improved value. From the main objective of the Act 171 of 1976 and the provisions of section 130(2&3) above, it can be

deduced that there is a loss of harmony between the principal objective of the Act and the internal provision.

This situation is negating the principal objective of the Act of achieving uniformity as well as taxation principle of Equity and fairness. Annual value approach is most preferred and fair to the rate payers since the basic rationale behind property rates on annual value is to cater for those reoccurring public services that are ordinarily difficult for individuals to come together and provide for common benefit of all. Therefore, the local authority being the coordinating and legal machinery is empowered to collect such rates and execute such services needed by all but difficult to provide on individual basis.

This situation is similar to service charges paid by tenant occupying properties with multiple tenants, those service charges are used for cleaning the common areas as stair case, parking areas, waste collection, storage and disposal as well as servicing of lifts, water pumps, gardening, security and others. A cursory look at these services will convince all that they are necessity to all but will be difficult to be provided if there is no coordination body. Improvement value approach otherwise the capital value approach is an object of taxation on capital gains on property (**Real property Gain Tax Act 1976 of Malaysia**), capital transfer or stamp duty which are not reoccurring payments but a lump sum payment where there is transfer or change of ownership in property but not in leases or continued occupation of a property by owner or tenant as is the case with assessment rates.

Section 127 empowers the local authority subject to approval by the state to impose either a separate or consolidated annual rates within the local authority and Section 129 further provided for the division of areas into separate rating areas with different rate charges or different rate charges within the same area in accordance with the actual usage of the property as may visibly be considered just and proper. These provisions synthesizes with locality doctrine such the characteristic of a locality or neighborhood determines its property value based on the importance attached to determinants of value and thus ratable value. Therefore the better the location of a property in terms of availability and functionality of infrastructural facilities and services, the more higher rent potential tenants are willing to offer for the occupation of such property or otherwise. as in the case of *St Helen's Smelting company vs. Tipping*. In the mid-nineteenth century, the smelting company was the centre of alkali industry and the average life expectancy was below 25 with a seated reputation of being the most dirtiest town in Britain, most of the vegetation were dead and thus limited greener pasture

for the cattle and fresh oxygen for the beings leading in the poor health status of the cattle and low average life expectancy(Bakri 2006). In this circumstance and location, human habitation is threatened and even business operations are hindered and thus people will be reluctant to offer any good rent for the occupation of a property and thus adversely affect the value of a property and consequentially ratable values/liabilities which in the long run affects the council income and capacity to provide public services.

Section 134 provided for those occupation deemed exempted from paying property rates by the nature of the services they offer to the public and not individuals thus the whole public is privy to the beneficial use of those property at no cost except perhaps donations but not charges as they are not intended for profit making. Such properties exempted from paying property rates include those public places for religious worship, licensed public burial ground/ crematoria, public schools, properties used as charity for purposes of sciences, literature or fine arts.

While section 135 granted a discretionary power to states to exempt properties used for recreational, social or welfare purpose from payments of parts or all of rates imposed on such properties despite glaring facts that some of those recreational parks do have some business out lets that are making profit even though not whole of the park is subjected for the business and the public have un restricted access, yet a good measurable income is derived from those businesses operated within the parks.

Section 162 provided for the refund of rates paid on vacant property for a void period of not exceeding one year provided that the property is certified to be in good state of repair and fit for human habitation, that was a reasonable effort by the landlord to obtain tenant at a reasonable rent charge and that the property had been vacant throughout the period upon which claim for refund is based. This provision is clearly negating a basic principle of rating that requires assessors to assume the property is vacant and ready to let to a highest willing and able bidder/ tenant in order to determine the rental value of the property, this assertion is further confirmed in the appeal case of Mr. Meyer where the appeal judge held that vacancy or non occupation of a premises is not an exemption and does not warrant exemption from rates liability and was therefore fined €3,407.50.

Annual values of properties are determined through the application of any of the various methods of valuation such as the Direct rental comparative method, the Indirect rental comparative method, the Depreciated replacement or Contractor method, the Profit or Account method and the Residual or Development method which is not common but mostly for valuation of vacant land with high

development potentials or a land occupied by obsolete building in a high brow business area with fully developed urban infrastructural facilities and services in order to determine the annual value of a property/ hereditament as emphasized in the leading case of **Garton vs. Hunter (1969)1 A11 ER 451**. A British court of appeal emphasized that an assessment surveyor or valuation officer who used contractor's method of valuation to assess the property may use one or more than one method to arrive at the annual value of a property taking into account the nature of the property and market characteristics thus it is in appropriate for a surveyor to use direct rental evidence of comparable property on a subject property that have no similarities in use, structures, location and legal status as in the case of **Imperial College of Science and Technology vs Ebdon (VO) and Westminster City Council [1984] LTRA 213** (sayce & connellan 2003).

Conclusion

The Act did not also exclusively guaranteed access to certain key information by the assessors who may require them as basic input in the application of some of the methods of valuation as the profit or account method which requires the study of the detailed income and expenditure of certain kind of properties needed to be assessed using the method such as the assessment of a Hotel. It is possible to have two identical hotels situated within the same location but their income differs as its income is dependent on the patronage each one of them enjoys which by implication could be linked to service efficiency, client satisfaction, affordability and some other reasons to mention a few. Therefore having such information could greatly assist in the application of the appropriate valuation method for the assessment and as well reveal the business performance of comparable hotels either by their star ranking or otherwise and thus as measurable yard stick to compel those with low turnover either because of manipulation or poor performance to work harder and earn higher than earning lower yet paying higher rates based on the judging criteria adopted from the records analysis.

It is therefore pertinent to evolve a strategy that must ensure harmony between the primary objective of the Act and operational provisions that will ensure fair and equitable system of property rates throughout peninsular Malaysia by ensuring compliance to a unified approach that is adjudge realistic and productive so that no one is shortchanged on a comparable property enjoying the same services and facilities at a lower in another location within the same country. This could be achieved through synthesizing some viable

provisions of various legislation across the world to produce an improved version or amendment to the Act.

Reference

1. Bakri, M. Ishak(2006): *Common law approaches for Environmental Management in Malaysia and its Application in Developed Jurisdictions*. Malaysian Law Journal.
2. Anders Muller (2001): *Valuation of land and Building for the recurrent property tax and for other taxes*. www1.worldbank.org/publicsector/tax/valuation.html#valuation. Accessed 12/12/2011
3. Mc Cluskey, William (ed.) (1999): *Property Tax: An International Comparative Review*. Ashgate.
4. Bahl, Roy W, and Linn, Johannes F (1992): *Urban Public Finance in Developing Countries*. A World Bank Book. Oxford University Press. Oxford, UK.
5. Eckert, J.K.(ed.) (1990): *Property Appraisal and Assessment Administration*. The International Association of Assessing Officers, Chicago. USA
6. Plimmer, F. & Mc cluskey, W. J.(2010): *The basis and administration of the property tax : What can be learned from international practice*. F I G Congress.
7. Kuusaana, E. D.(2009): *Property rating in Ghana : Procedures, practice, challenges and prospects in the framework of good governance*. Journal of institute of geodesy and land management , Ghana.
8. Joint Professional Institutions' Rating Valuation Forum (1997) : *The Receipts and Expenditure Basis of Valuation for Rating Purposes: A Guidance Note* London UK RICS.
9. Sarah Sayce, Owen Connellan (2003):*An analysis of rating valuation Methodology for Non-profit Orientated Leisure Property, being a research report for the Royal Institution of Chartered Surveyors* London.
10. Brendan Williams (2000): *The present and future role of property taxation*. Ashgate
11. Mani Usillapan (1986): *Improved value Basis*. INSPEN Bulletin Vol.4
12. *Local Government funding in Ireland*. University of Ulster, Northern Ireland.
13. *London Rating and valuation Act 1925* accessed on www.uklegislation.com on 23/3/2012.
14. *British Local Government Finance Act 1988* accessed 23/3/2012 on www.uklegislatio.com
15. *The Crown Estate Paving Act 1851* accessed 24/3/2012 www.wikipedia.com
16. *City of London Tax office publication*(2011): Accessed 24/3/2012 www.city Tax Office
17. *Valuation Tribunal Service of London*(2009). Issue 13 pg 2-3 of March 2009.
18. *Malaysia Local Government Act 171 of 1976*. ILBS.
19. Chicago Appraisal Institute (2000): *Appraisal Institute, A Guide to Automated Valuation Modelling*
20. Maryland state bulletin, accessed at www.marryland state.wikipedia.org on 3rd October 2011.
21. Singapore Property Tax Act 1985 CAP 254
22. *Constitution of Malaysia as revised up to 2006*.
23. Hong Kong Government Rating Ordinance CAP 116.
24. Hong Kong Government annual Report 1996. Information services Hong Kong.

4/21/2012