



HIGH COURT OF AUSTRALIA

Public Information Officer

13 February, 2003

ANTHONY PHILLIP MAURICI v CHIEF COMMISSIONER OF STATE REVENUE

The High Court of Australia today allowed an appeal from a resident of the Hunters Hill municipality in Sydney who objected to having the value of his land gauged against sales of the few vacant blocks left in the district.

A 1998 assessment for land tax was based on an unimproved value of Mr Maurici's land in Woolwich of \$2.44 million, later reduced to \$2 million. Mr Maurici argued the unimproved value was \$1.25 million, derived by deducting improvements including a substantial house from a notional selling price, rather than by comparison with recent sales of vacant land. The valuation relied on only four sales, including a quick resale, of vacant land.

Commissioner Anthony Nott, of the Land and Environment Court, accepted the method of valuation by comparison with sales of rare vacant blocks, but reduced the unimproved value by \$50,000 to \$1.95 million.

Justice Dennis Cowdroy accepted Mr Maurici's argument that sales of vacant blocks were inflated due to the scarcity factor, but the New South Wales Court of Appeal reversed that decision. It held that land was to be valued as though vacant and without improvements.

The High Court unanimously upheld Justice Cowdroy's ruling. It held that the valuation method was unduly selective and that a few sales of vacant land were unrepresentative of sales in Hunters Hill. The Court held that the Valuation of Land Act did not require valuations to be made in comparison with vacant blocks whose buyers may constitute a special class.

The Court ordered that the case be remitted to Commissioner Nott for rehearing and awarded costs to Mr Maurici for his appeals to the Court of Appeal and the High Court.

- *This statement is not intended to be a substitute for the reasons of the High Court or to be used in any later consideration of the Court's reasons.*