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# A New Tax System (Goods and Services Tax) Margin Scheme Valuation Requirements Determination

## MSV 2005/1

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I, Bruce William Quigley, make the following Determination for the purposes of paragraph 75-10(3)(b) of the *A New Tax System (Goods and Services Tax) Act 1999* ('the GST Act').

### **Citation**

1. This Determination may be cited as the *A New Tax System (Goods and Services Tax) Margin Scheme Valuation Requirements Determination MSV 2005/1*.

### **Commencement**

2. This Determination commences on 16 March 2005.

### **Additional valuation method**

3. This Determination specifies an additional valuation method for the purposes of paragraph 75-10(3)(b) of the GST Act.

4. The *A New Tax System (Goods and Services Tax) Margin Scheme Valuation Requirements Determination (No.1) 2000* and the *A New Tax System (Goods and Services Tax) Margin Scheme Valuation Requirements Determination (No.2) 2000* are not altered or withdrawn by this Determination and continue in force.

5. A valuation complies with the requirements for making valuations for the purposes of Division 75 of the GST Act if it is made in accordance with the following method:

### **Method**

6. A valuation of the market value of the interest, unit or lease at the valuation date determined in writing by a professional valuer.

7. However, if:

- (a) the supplier is the Commonwealth, a State or a Territory; and
- (b) the supplier has held the interest, unit or lease since before 1 July 2000; and
- (c) there were no improvements on the land in question as at 1 July 2000; and
- (d) there are improvements on the land in question on the day on which the taxable supply takes place,

then the valuation must be the market value of the land determined in writing by a professional valuer as if there are no improvements on the land or premises on that day.

## **Application**

8. This Determination applies in respect of valuations made for the purposes of applying the margin scheme in working out the amount of GST on supplies made on or after 17 March 2005.

## **Definitions**

***Professional valuer*** is defined for the purposes of this Determination to mean:

- (a) a person registered or licensed to carry out property valuations under a Commonwealth, State or Territory law; or
- (b) a person who carries on business as a valuer in a State or Territory where that person is not required to be licensed or registered to carry on a business as a valuer; or
- (c) a person who is a member of the Australian Property Institute and is accredited as a Certified Practising Valuer.

Other expressions in this Determination have the same meaning as in the *A New Tax System (Goods and Services Tax) Act 1999*.

Dated this 11th day of March 2005

(Original signed)

Bruce William Quigley  
Deputy Chief Tax Counsel and  
Delegate of the Commissioner

