

APPENDIX XV.

LETTER FROM M. McKINLEY, WHANGAREI.

SIR,—

Kara, Whangarei, 4th December, 1914.

Kindly allow me to bring to your notice the manner in which my land has been valued for the purpose of taxation.

I am the owner of Sections 24, 25, 1, 2, 3, 6, Block X, Purua S.D., containing 448 acres, more or less. The unimproved value has been set at £1,489, and the capital value at about double that amount. I am unable to understand how the unimproved value came to be so high in proportion to the capital value. My farm is practically all improved, and the improvements are worth many times more than the land would be worth in its natural state, as a very large percentage of it is gum land. The valuator seems to have valued the capital value and placed the unimproved value at half the capital value.

There are several sections in this district where the unimproved value is exactly half of the capital value. This is not the proper value for the unimproved value, as the improvements are worth considerably more than they have been placed at. But, in my case, the unimproved value has been placed ridiculously high, while the improvements have been valued far below their value.

There is no good bringing the matter before an Assessment Court, because the Magistrate will ask you if you will sell for the valuation, and if you say "No," the valuation is upheld. Now, this is not a fair way of dealing with an objection, as a man who (as in my case) has worked all his life on his farm wants it for a home in his old age, and in many instances would not sell it for double its value.

In my case the valuation of the unimproved value was under £500 before the last valuation, and I am unable to understand how it rose so high in a few years. I think it would be a good plan if the valuers were changed to a new district after every valuation.

I always understood that the Government did not wish to tax the farmer for his improvements, but if improvements brought about by a man's own hard work will raise the unimproved value of his farm so that it can be taxed, then improvements are taxed indirectly.

I have the grazing rights of 117 acres leased from one of my sons, and this, with my own farm, can only carry, although it is practically all improved, fifty-nine dairy cows, eleven yearling heifers, thirty calves, twenty sheep, four horses, and three hacks, so you will see the quality of the land cannot be very good.

Now, how can the unimproved value of land of this description that is practically all improved be worth as much as the improvements.

I have, &c.,

The Chairman, Valuation of Land Commission, Wellington.

M. McKINLEY, per T. M.

COPY OF REPORT BY DISTRICT VALUER THOMPSON.

Re *Moses McKinley, Purua Survey District.*

Officer in Charge, Valuation Office, Auckland.

REFERRING to the enclosed copy of a letter addressed by the above-named to the Chairman of the Land Valuation Commission, I have to state that as far as Mr. McKinley's letter is concerned, containing as it does only a rambling unsupported statement, there is very little to reply to. However, the reasonable impression to be gathered from the letter is, while not objecting to the capital value, he considers that insufficient value has been allowed for improvements. Before going into details I might mention that when I valued the place last February I discussed the separate values with McKinley in the presence of his sons, showed him the value I was putting on each item of improvements, also the unimproved and capital values, and to all of which he expressed his entire satisfaction. It might not, however, be out of the way to mention that since last February the system of local rating has been changed from the capital to the unimproved value. I have my field-book before me and will just touch on each item of improvements.

House of six or seven rooms, well and strongly built, two years old; could be built at the present time for £500; valued at £400.

Two sheds, ordinary, useful outbuildings; valued at £100.

200 chains of wire fencing in fairly good order; valued at 15s. per chain, £150.

240 acres cleared from bush and fern and partly ploughed; £400.

240 acres of grass; £200.

The foregoing values refer only to Sections 1, 2, 3, and 6.

260 acres, a large portion of which is rich river-flat, and valued at a little over £5 per acre unimproved value.

Section 24 (51 acres) has on it 50 chains of fencing, in fair order—£20; 10 acres ploughed and grassed; £20.

Section 25 (138 acres): 50 chains of fencing medium, £20; 50 acres ploughed, £50; 50 acres grass, £30.

The unimproved value of Sections 24 and 25 is £1 and 15s. per acre respectively. The adjoining section which has better access is valued at £7 per acre. (G. Nobes, Sections 4 and 5, &c.).

I must state honestly that Mr. McKinley has no reasonable grounds to complain.

I am quite prepared and should welcome any further investigation in the matter, and pending such I must again state that the value placed on McKinley's property is fair and reasonable. As to his remarks as to valuers being changed after each valuation, they are just on a par with his other statements, as, after experience, local knowledge is one of the greatest essentials in a successful valuer.

Whangarei, 29th December, 1914.

W. F. THOMPSON.

DECISION OF COMMISSION.

Insufficient evidence to enable Commission to make any recommendation.

21/1/15.

18—B. 17B.