



Finance Act 1931

1931 CHAPTER 28

PART III

LAND VALUE TAX

Supplemental

26 Tax not to be included among impositions payable by lessees

Where by any lease granted before or after the passing of this Act provision is made that any taxes or other impositions shall be payable by the lessee, that provision shall not apply in respect of the tax.

27 Power of Commissioners to obtain information

- (1) The Commissioners may if they think fit by notice in writing require the owner or occupier of any land, or any person paying or receiving rent in respect of any land (either on his own behalf or on behalf of any other person), to furnish to them, within thirty days after service upon him of any such notice or within such extended time as the Commissioners may allow, returns showing such particulars as it may be within his power to furnish as to—
- (a) the ownership, tenure, situation and character of the land, together with any further details necessary for the purposes of the identification thereof;
 - (b) any rent payable to or by him and the lease under which it is payable;
 - (c) the name and address of any person to whom he pays, or on whose behalf he receives, rent;
 - (d) the consideration, if any, paid by him after the eighteenth day of July, nineteen hundred and twenty-three, for his estate or interest in the land and the date when he acquired that estate or interest;
 - (e) any tithe, tithe rent charge, or other payment in lieu of tithe issuing out of or charged upon the land and any of the incumbrances mentioned in paragraphs (a) to (g) of the First Schedule to this Act.

Status: This is the original version (as it was originally enacted).

- (2) Any person authorised in writing by the Commissioners for that purpose shall have a right, on production of his authority, to enter on and inspect at all reasonable times any land for the purpose of obtaining any information required by the Commissioners for the discharge of their functions under this Part of this Act.
- (3) If any person fails to make a return which he is required under this section to make, or wilfully omits to show in any such return any particulars within his power to furnish which he may under this section be required to show, or wilfully delays or obstructs any person authorised by the Commissioners in the exercise of any power conferred on him by this section, he shall be liable on summary conviction to a fine not exceeding fifty pounds.

28 Production to Commissioners of instruments transferring land

- (1) On the occasion of—
 - (a) any transfer on sale of the fee simple of land;
 - (b) the grant of any lease of land for a term of seven or more years;
 - (c) any transfer on sale of any such lease;it shall be the duty of the transferee, lessee, or proposed lessee to produce to the Commissioners the instrument by means of which the transfer is effected, or the lease granted or agreed to be granted, as the case may be, and to comply with the requirements of the Second Schedule to this Act, and if he fails so to produce any such instrument within thirty days after the execution thereof or, in the case of an instrument first executed at any place out of Great Britain after the instrument is first received in Great Britain, or fails to comply with the requirements of the said Schedule, he shall be liable on summary conviction to a fine not exceeding ten pounds.
- (2) Where in accordance with the provisions of the last foregoing subsection any agreement for any lease of land for a term of seven or more years has been produced to the Commissioners, and the requirements of the said Second Schedule with respect thereto are complied with, it shall not be necessary under this section to produce to the Commissioners the instrument granting the lease in pursuance of the agreement or to comply with the requirements of the said Schedule with respect thereto, unless that instrument is inconsistent with the agreement, but the Commissioners shall, if any such instrument is produced to them and application is made for that purpose, denote on the instrument that the instrument has been so produced.
- (3) This section shall not apply with respect to any instrument which relates solely to incorporeal hereditaments or to a grave or right of burial, or which is a mining lease only or an instrument by means of which the transfer of a mining lease only is effected.
- (4) Notwithstanding anything in section twelve of the Stamp Act, 1891, no instrument required by this section to be produced to the Commissioners shall be deemed, for the purposes of section fourteen of that Act, to be duly stamped unless it is stamped with a stamp denoting that the instrument has been so produced.
- (5) This section shall come into operation on the first day of September, nineteen hundred and thirty-one.

29 Service of documents

- (1) For the purposes of the provisions of this Part of this Act as to the service of copies of entries inserted or proposed to be inserted in a land values register, the expression

" owner " means, in relation to any land unit, the person who at the date of service is the owner of that unit, but includes also—

- (a) in relation to any copy served after any first day of January on which the entry will be in force, the owner on that date; and
- (b) (except in the case of revised entries) in relation to any land unit which has become divided into two or more parts in different ownership, the owner of any such part,

and for the purposes of the provisions of this Part of this Act as to objections and appeals from valuations, the expression " owner " shall be construed accordingly.

- (2) Any document issued by or on behalf of the Commissioners under this Part of this Act may be served on any person by delivering it to him or sending it by post to his usual or last known address, or, if his address is not known and cannot reasonably be ascertained, by leaving the document addressed to him with the occupier of any land to which the document relates, or, if no such occupier can be found, by causing it to be exhibited in some conspicuous place on the land, and where any such document is required to be served on any owner whose identity cannot reasonably be ascertained, the document, if so left or exhibited as aforesaid, shall be deemed to be addressed to the person who is the owner if it is addressed "the owner" without further name or description.
- (3) Where two or more persons together constitute the owner or mortgagee of any land unit, any document required by or under this Part of this Act to be served by the Commissioners on the owner or mortgagee thereof shall be deemed to have been duly served on all those persons if it has been duly served upon any one of them or upon their agent authorised in that behalf, unless before the date of service any of the persons constituting the owner or mortgagee has, by notice in writing delivered to the Commissioners, required all documents in respect of the unit to be served upon all those persons, and delivered with the notice a list of their names and addresses.

30 Miscellaneous provisions

- (1) Section two hundred and sixteen of the Income Tax Act, 1918 (which provides that want of form or errors shall not invalidate assessments &c.) shall apply as respects assessments and other proceedings purporting to be made in pursuance of this Act as it applies to assessments and other proceedings purporting to be made in pursuance of that Act, but as if the references therein to profits and to the general Commissioners respectively were omitted therefrom.
- (2) Any copy of entries inserted or proposed to be inserted in a land values register or of an assessment being a copy signed by any officer of the Commissioners authorised by them in that behalf and produced by any officer of the Commissioners shall be received in evidence, and any such copy purporting to be so signed as aforesaid shall be deemed to be so signed and to be a true copy unless the contrary is proved.
- (3) Any appeal to the High Court under this Part of this Act shall be to a single judge of the High Court to be nominated by the Lord Chancellor for that purpose, and either party shall have a right of appeal from a decision of a county court under this Part of this Act direct to the Court of Appeal.

31 Definition of owner

- (1) Subject as hereinafter provided, the expression " owner " means—

Status: This is the original version (as it was originally enacted).

- (a) in relation to any land subject to a lease granted for a term exceeding fifty years which has commenced, the estate owner in respect of the term, or, if there are two or more such leases, the estate owner in respect of the term which will first expire; and
- (b) in relation to any other land, the estate owner in respect of the fee simple of the land;

and "owned" and "ownership" have corresponding meanings :

Provided that—

- (a) where the estate owner is the public trustee or is the official trustee of charity lands or other trustee on or for charitable, ecclesiastical, or public trusts or purposes, and that trustee is not entitled to act in the trust, then, for the purposes of the provisions of this Part of this Act as to the service of copies of entries inserted or proposed to be inserted in a land values register, as to objections to and appeals from valuations, as to the assessment and recovery of tax, appeals against assessment, and exemptions and relief, the person hereinafter mentioned shall, instead of the trustee, be deemed to be the owner, that is to say—
 - (i) where the estate owner is the public trustee, the person in receipt of the rents incident to the public trustee's estate, or, if there are no rents incident thereto, the person in occupation of the land;
 - (ii) where the estate owner is the official trustee of charity lands or such other trustee as aforesaid, the managing trustees or committee of management of the charity; and
- (b) where under section nine of the Administration of Estates Act, 1925, the estate of any person who died intestate is vested in the Probate Judge, that judge shall not be deemed to be the owner of any land unit comprised in the estate, but upon administration being granted in respect thereof the administrator shall be deemed for the purposes of the charge of the tax to have been the owner as from the date of the death.

(2) For the purposes of this section—

- (a) the expression " estate owner " has the same meaning as in the Law of Property Act, 1925, so, however, that in relation to an agreement for a lease, that expression means the person entitled to have vested in him the legal term agreed to be created :
- (b) a lease granted for a term exceeding fifty years shall if it be not terminable at the option of the lessor before the expiration of fifty years be deemed to be such a lease notwithstanding that the lease is terminable at the option of the lessee before the expiration of that period:
- (c) a lease which contains an obligation to renew the lease for specified periods on specified conditions at the option of the lessee shall be deemed to be a lease granted for a term ending with the last of such periods, and the term of a lease granted pursuant to any such obligation shall be deemed to include the term under the lease containing that obligation :
- (d) a lease which is, or takes effect lease for a term of years determinable after the death or marriage of any person and a lease terminable at the option of the lessor before the expiration of fifty years shall be deemed to be a lease for a term not exceeding fifty years.

32 General definitions

In this Part of this Act, except where the context otherwise requires, the following expressions have the meanings hereby respectively assigned to them, that is to say—

" Agricultural land " means land and buildings with respect to which, by reason of subsection (2) of section sixty-seven of the Local Government Act, 1929, no particulars are included in any valuation list, or which are deemed under that subsection to have no rateable value for the purposes of the list, but also includes any farmhouse occupied in connection with such land as aforesaid and any agricultural cottage so occupied which is on or contiguous to that land; and, in relation to any land occupied by or on behalf of the Crown, means any premises which if in rateable occupation would be agricultural hereditaments as defined by the Rating and Valuation (Apportionment) Act, 1928, and includes any such farmhouse or agricultural cottage as aforesaid :

" Agricultural buildings " and " cottage garden " have respectively the same meanings as in the Rating and Valuation (Apportionment) Act, 1928:

" Agricultural cottage " means, in relation to any land, a house used as a dwelling-house of a person who is employed in agricultural operations on that land in the service of the occupier thereof and is entitled, whether as tenant or otherwise, so to use the house only while so employed :

" Agricultural purposes " means purposes of the following classes, that is to say:—

- (a) the use of land as arable, meadow or pasture ground, or for a plantation or a wood or for the growth of saleable underwood, or, in relation to land exceeding one quarter of an acre, for poultry farming:
- (b) the use of land as market gardens, nursery grounds, or orchards :
- (c) the use of land as cottage gardens exceeding one quarter of an acre, or as allotments, including allotment gardens within the meaning of the Allotments Act, 1922,

and includes all purposes directly connected with any such class as aforesaid :

" Farmhouse " means, in relation to any land, a house used as the dwelling-house of the person who is primarily engaged in carrying on or directing agricultural operations on that land:

" Lease " includes an underlease or other tenancy and an agreement for a lease, underlease or tenancy, but does not include a mortgage; and "lessee" and "grant" have corresponding meanings:

" Local authority " means any body having power to levy a rate or to issue a precept to a rating authority and includes the corporation for which any such body acts for executive purposes ; and "rate" and (except in relation to London) "rating authority" have the same meanings respectively as in the Rating and Valuation Act, 1925:

" Minerals " includes all minerals and substances in or under land of a kind ordinarily worked for removal by underground or by surface working:

" Mineral wayleave " has the same meaning as in the Finance (1909-1910) Act, 1910:

" Mortgage " has the same meaning as in the Law of Property Act, 1925 :

" Playing field " means land used mainly or exclusively for the purposes of open air games or recreation other than horse racing, polo, coursing, dog racing, motor racing, or motorcycle racing:

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" Road " does not in relation to any land unit include any road which the occupier alone is entitled to use, but save as aforesaid, includes any carriageway or footway, whether a street, lane, mews, square, court, alley, passage, or of whatsoever other nature, and whether a thoroughfare or not:

" Valuation date " means, as respects the first-valuation made under this Part of this Act, the first day of January, nineteen hundred and thirty-two, as respects the second valuation the first day of August, nineteen hundred and thirty-six, and, as respects every subsequent valuation, the fifth anniversary of the last preceding valuation date :

" Valuation period " means, in relation to any entries inserted or proposed to be inserted in a land values register for the purposes of the first valuation made under this Part of this Act, the period beginning on the first day of April, nineteen hundred and thirty-three, and ending on the thirty-first day of March, nineteen hundred and thirty-seven, and, in relation to any such entries for the purposes of any subsequent valuation, the period beginning at the end of the last foregoing valuation period and ending on the fifth anniversary of the end of that period:

" Works " does not include works of excavation or filling executed for the purpose of bringing the configuration of the soil to its actual formation, but, save as aforesaid, means all works executed as improvements (not being buildings or erections), and includes fixtures, ditches, fence walls and other fences.

33 Application to Crown lands

The provisions of this Part of this Act apply to land belonging to any Government Department or belonging to any public officer or body on behalf of His Majesty for government purposes or belonging to His Majesty in right of the Crown, and in relation to any such land bind the Crown and, for the purposes of the said provisions, the officer or body having the management of any such land shall represent His Majesty.

34 Provisions as to expenses

Any expenses incurred by the Commissioners in connection with the valuation of land for the purposes of this Part of this Act and any remuneration payable by virtue of the provisions of this Part of this Act to referees appointed under section thirty-four of the Finance (1909-10) Act, 1910, shall be paid out of moneys provided by Parliament.

35 Application to Scotland

In the application of this Part of this Act to Scotland—

- (a) the Allotments (Scotland) Act, 1922, shall be substituted for the Allotments Act, 1922, and the First Schedule to the Agricultural Holdings (Scotland) Act, 1923, as originally enacted, shall be substituted for the First Schedule to the Agricultural Holdings Act, 1923:
- (b) " agricultural land " means land which is shown in the valuation roll as agricultural lands and heritages:
- (c) " Agricultural buildings " means buildings (other than dwelling-houses) included in any agricultural lands and heritages:
- (d) references to the Edinburgh Gazette shall be substituted for references to the London Gazette:

Status: This is the original version (as it was originally enacted).

- (e) "local authority" means a county town or district council, for any reference to the council of a county borough there shall be substituted a reference to a town council, and for any reference to the council of a county district there shall be substituted a reference to a district council:
- (f) "easement" means "servitude", "tithe" means "teind", "mortgage" means "heritable security", and "mortgagee", "mortgaged estate" and "mortgage debt" shall be construed accordingly; "incumbrance" means "burden" and includes a burden or charge incident to tenure; "agreement" includes "feu charter", and any reference to a feu charter includes a reference to a feu disposition; and any reference to a drainage rate made under the Land Drainage Act, 1930, shall be construed as a reference to a rate leviable in pursuance of the Land Drainage (Scotland) Act, 1930 :
- (g) for any reference to property and rights which would by virtue of subsection (1) of section sixty-two of the Law of Property Act, 1925, have been deemed to be included in a conveyance of land, there shall be substituted a reference to such property and rights as would have been included in a disposition of the land in common form:
- (h) any order of a referee as to costs shall be enforceable as a recorded decree arbitral:
- (i) the Court of Session shall be substituted for the High Court provided that in the application of subsection (4) of section fourteen of this Act for any reference to the High Court there shall be substituted a reference to the judges of the Court of Session named for the purpose of hearing appeals under the Valuation of Lands (Scotland) Acts, and an appeal shall be to the House of Lords from any decision of the Court of Session or of the said judges under this Part of this Act :
- (j) the sheriff court shall be substituted for the county court and an appeal shall be from any decision of the sheriff court under this Part of this Act to the aforesaid judges in the case of a decision under section fourteen of this Act and to the Court of Session in any other case.
- (k) for the purposes of section eighteen of this Act—
 - (i) for the references to lands, tenements, and hereditaments there shall be substituted references to lands and heritages;
 - (ii) where the annual value of any lands and heritages has been assessed on the basis that local rates in respect thereof are payable by the landlord, that value shall be reduced to such amount as would have been assessed if those rates had been payable by the occupier:
- (l) "owner"—
 - (i) in relation to any land subject to a lease granted for a term exceeding fifty years which has commenced means the tenant under the lease, or where there are two or more such leases means the tenant under the lease which will first expire;
 - (ii) in relation to any other land means, in the case of land subject to a fee-rent, the life-renter, and in the case of land under an entail, the institute or heir of entail in possession, and in any other case, the owner of the fee:
- (m) the provisions of paragraphs (b), (c) and (d) of subsection (2) of section thirty-one of this Act shall apply for the purposes of the immediately preceding paragraph of this section in like manner as they apply for the purposes of the said section thirty-one:

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- (n) for the purposes of paragraph (a) of the proviso to subsection (1) of section seventeen of this Act the expression "annual value" means the gross annual value appearing in the valuation roll in force on the first day of January in the year in question or where no such value appears in the said valuation roll the gross annual value as determined by the Commissioners :
- (o) where the person on whom the tax chargeable in respect of any land unit is liable in payment in respect of that unit of any feu duty he shall on paying the tax for any year of charge be entitled to recover from the person who was the superior on the first day of January in that year a sum equal to one twelfth of the feu duty payable in respect of that year or to the whole amount of the tax so paid, whichever is the less, and any sum so recoverable from any person may be deducted from the instalment of feu duty, if any, payable to him next after the date on which the tax is paid. Provided that, where two or more land units are subject to a feu duty which has not been allocated, the sum recoverable as aforesaid from the person to whom such feu duty is payable shall be, in respect of each unit, either one twelfth of such part of the total feu duty as bears the same proportion thereto as the land value of that unit bears to the total of the land values of all the units subject to the feu duty, or the whole amount of the tax paid in respect of the unit, whichever is the less :
- (p) where under the last foregoing paragraph or under this paragraph or under section twenty of this Act any sum is recovered from a person who is himself liable in payment in respect of the land unit of any feu duty, he shall be entitled to recover from the person who was on the first day of January in the year of charge the superior in the feu charter or contract under which such feu duty is payable a sum equal to one twelfth of such feu duty payable in respect of that year or to the whole amount of the sum so recovered, whichever is the less, and any sum recoverable under this paragraph from any person may be deducted from the instalment of feu duty, if any, payable to him next after the date on which the first mentioned sum was recovered:
- (q) the provisions of the last two foregoing paragraphs shall have effect notwithstanding any agreement made before the passing of this Act:
- (r) the provisions of subsection (5) of section twenty of this Act shall apply to any person to whom any feu duty is payable in respect of a land unit in like manner as they apply to the reversioner therein mentioned:
- (s) any reference in this Part of this Act to the provisions relating to the recoupment of tax to leaseholders by lessors shall be deemed to include a reference to the provisions of paragraphs (o) and (p) of this section, and any reference to recovery by a leaseholder under the first-mentioned provisions shall be construed accordingly:
- (t) for the purposes of sections twenty-four and twenty-five of this Act any land unit in respect of which a feu duty is payable shall be deemed to be subject to a lease granted for a term exceeding fifty years which has commenced, and any reference in the said sections to any such lease shall be construed accordingly :
- (u) section twenty-six of this Act shall apply to a feu charter or contract and to the feuar or vassal thereunder in like manner as it applies to a lease and to the lessee thereunder :
 - (v) in the foregoing provisions of this section references to a feu contract, a superior, a feuar, and a feu duty shall be deemed to include, respectively, references to a contract of ground annual, a creditor therein, a debtor therein, and a ground annual:

- (w) section twenty-eight of this Act shall apply on the occasion of any grant of a feu or of the creation of a ground annual in like manner as it applies on the occasion of a transfer on sale, and the expression " transferee " shall be construed accordingly and the said section shall not apply with respect to any instrument relating solely to shooting or fishing rights, or to a servitude :
- (x) regulations may be made by the Commissioners for dispensing with the production of any instrument and the furnishing of particulars thereof under section twenty-eight of this Act in cases where arrangements are made for obtaining such particulars through any register of sasines, and where provision is made for dispensing with such production or furnishing of particulars, it shall be the duty of the Keeper of the General Register of Sasines, and of the keeper of any local register of sasines to furnish to the Commissioners particulars of instruments presented for registration or registered in their respective registers as may be prescribed by regulations of the Commissioners, and in any such case the provisions of subsection (4) of the said section twenty-eight shall not apply :
- (y) the Court of Session shall have power by Act of Sederunt to make rules with regard to appeals to that court or to the judges of that court referred to in paragraph (i) of this section or to the sheriff court under this part of this Act:
- (z) subsection (3) of section thirty of this Act shall not apply.