

The Problem of Revaluation.

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My first duty is to thank the President and Council of the Society for the honour they have conferred on me in inviting me to read a paper on this important and controversial subject, "The Problem of Revaluation."

You may have revaluation for many different purposes but to-night our sole concern is with rateable valuations, and the views I express are purely personal.

Our subject falls naturally under two main heads—firstly, the origin, extent and nature of our existing valuations, and secondly, the changes that would be wrought in the existing system by a revaluation.

For the origin of our existing system of valuation, we must go back to the Valuation (Ireland) Act 1852. That Act—which still holds good—lays down the subjects to be valued, viz. buildings, land, mines, commonage and all other profits out of land (e.g. quarries and sandpits), fisheries, canals, navigation, railways, tram-roads, rights of way, other rights or easements over land, tolls and turf bogs for which a rent is paid or the product sold. In short, all immovable property falls to be valued for the purposes of rating. The Rateable Property (Ireland) Amendment Act 1860 (Section 7) also provides for inclusion in the valuation of a mill, manufactory or similar building, the value of the plant and machinery therein used for the production of motive power.

The basis of the valuation laid down in the 1852 Act, and which still holds good, is the net annual value; in effect the annual letting value of each piece of property, over and above rates and the costs of repairs, insurance and maintenance and, as regards land, the net annual value ascertained by reference to the fixed scale of prices (laid down in the Act) for agricultural products (i.e. wheat, oats, barley, flax, butter, beef, mutton and pork) and, additionally, it was provided that all peculiar local circumstances (e.g. aspect, elevation, ease of communications etc.) were to be taken into consideration in each case. The prices of agricultural produce laid down in the Act were the general averages of 40 market towns in Ireland, taken during the years 1849, 1850 and 1851, a period of great agricultural depression.

The initial general valuation under the 1852 Act was carried out under the supervision of Richard Griffith, who was the first Commissioner of Valuation, and was completed in the year 1865, and is generally known as "Griffith's Valuation."

The valuations of lands have not been altered since Griffith's time except to re-allocate them where holdings have been divided or amalgamated, and excepting also the city of Dublin and the city of Waterford, where revaluations were completed in 1916 and 1926 respectively, when the lands in those cities were revalued on the

same basis as buildings, i.e. on net letting value. Where land is built on, the land valuation disappears, and the value of the building includes the value of the site. Many people think that the site values of buildings are not rated, but this is not so as the value of the site on which the building rests is included in the valuation of the building.

Modes of Valuation.

Valuation is not an exact science and not a precise mathematical concept. The 1852 Act recognises this and prescribes that a valuation is to be made upon an estimate of the net annual value, and as regards houses and buildings the net annual value is described in that Act as the (net) rent for which one year with another the property might in its actual state be reasonably expected to let from year to year. Considerable differences of opinion may, therefore, arise between valuers—not excluding those in the Valuation Office—as to the letting value of property. In computing the net letting value of a property, the valuer takes into account the actual net rent, if any, paid for the property, or if no rent is paid, then the actual net rent paid for a comparable property, or the present capital value of the property from which, by adopting a percentage, he may deduce the letting value—the latter being known as the Contractor's Method. Such present capital value may be arrived at by taking into reckoning the purchase price of the property and the expenditure on additions and improvements less allowance for depreciation, or from the sale prices of comparable properties. In the case of properties used for business purposes, the trading and profit and loss accounts and the balance sheets are a useful aid in determining capital value and letting value.

The method of valuation known as “the profits basis” is occasionally used in the ascertainment of net letting value especially for public utility undertakings such as railways, tramways, gas-works, water works, electricity undertakings, canals, docks and harbours. As such types of undertakings are rarely let, the determination of net letting value by reference to rents is impossible, and so recourse is had to the accounts of the undertakings to ascertain the gross receipts from which the working expenses (excluding income tax and corporation profits tax) are deducted, as well as rates and interest on the capital that a tenant would have to provide in the way of movable chattels in order to work the undertaking, and so arrive at the rent that the immovable property as a whole might reasonably fetch. Where such properties (of the public utility type) extend into different rating areas, it is necessary to apportion the gross or cumulo valuation, as it is called, between the different rating areas by reference to the proportionate values of the properties in the respective rating areas.

Rent Restriction Acts.

In making valuations, it is the practice to ignore the restrictions on rent imposed by the Rent Restriction Acts. This practice follows a decision of the House of Lords in 1922 (*Poplar Assessment Committee v. Roberts*, 2 A.C. 93) that the Rent Restrictions Act 1920, was not to be taken into account in arriving at the valuation of a property. This practice is just since it promotes uniformity of

valuation. It would be inequitable for an occupier of a rent-restricted property to pay lower rates than the occupier of a property of the same letting value which was not subject to the Rent Restrictions Acts. If the restricted rent were taken as a basis of valuation, then the occupier would be liable to lower rates as well as to a lower rent as compared to his neighbour in a house of a similar kind not subject to the Rent Restrictions Acts 1946–1954. You may recollect that these Acts do not apply to houses built after May 1941.

Separate Valuations.

Under the Valuation Acts, a separate valuation is struck for each property in the occupation of the same occupier under the same immediate lessor and under one contract of tenancy. In the Valuation Lists there are three separate columns for the valuation of (1) land, (2) buildings, (3) railways, fisheries, tolls etc. and a fourth column showing the total valuation of the property, or in official jargon, of the tenement or hereditament. Thus a farmer occupying a single farm may have a valuation of £A on his land, £B on his buildings, and £C on any quarry, sand-pit, turf bank etc. situate on the farm. Your private dweller will normally have only one valuation on all his buildings including the house, garage and out-offices and there will, under recent practice, be no separate valuation on the land surrounding his house where the area is less than 1 rood. Your shopkeeper will normally have only one valuation on the shop he occupies and if there is a residential portion occupied by him, the value thereof will be included in the one figure of valuation on the entire premises, provided such premises are not held under separate tenancies. A self-contained flat will be separately valued, but a property of the type known in Dublin as a tenement house will normally carry only one valuation, though each room therein may be separately let. A company which owns, say, several shops in different parts of a town will normally have a separate valuation in respect of each shop, and Banks with branches all over the country will normally have a single valuation on each branch including the residential portion.

Law as to the Revision of Valuations.

The valuations on land, buildings etc. fixed by Griffith a century ago (1852–1865) are still in force as a basis for rates (and for income tax, Schedule A) except in so far as revisions have been made since.

As to the nature and extent of the revisions that have been made since Griffith's Valuation, it is necessary first to look at the statutory provisions for making revisions of valuations. There are four such statutory provisions, viz. :—

- (1) The Income Tax Act 1853, repealed and re-enacted by the Income Tax Act 1918 (Section 193) enables the Revenue Commissioners to direct the Commissioner of Valuation to revise for income tax purposes any valuations which the Revenue Commissioners consider are not in accordance with the principles prescribed by law. This provision has been in practice a dead letter.
- (2) Section 34 of the Valuation Act 1852, as amended, provides that any Grand Jury, or its successor, the County Council,

- may move for a general revaluation of its area at or after an interval of 14 years has elapsed since the last general revaluation. This provision has also been a dead letter.
- (3) Section 65 of the Local Government Act 1898, empowered the corporations of the four cities (Dublin, Cork, Limerick and Waterford) to move for a general revaluation of their areas. Dublin and Waterford were revalued under this section in 1916 and 1926 respectively, and in both cases on a basis of 1913 rental values, but subject to a deduction of 10% in Dublin from the 1913 values. The cities of Cork and Limerick have not moved under this section. Under section 2(2), Sligo Corporation Act 1918, the Borough of Sligo has also power to apply for a revaluation under section 65 of Local Government Act 1898, but has not availed of the provision.
- (4) Section 4 of the Valuation (Ireland) Amendment Act 1854, and Article 37 (*d*) Local Government (Adaptation of Irish Enactments) Order 1899, provide for an annual revision of valuations by enacting that each secretary or clerk to a local authority shall send each year to the Commissioner of Valuation for revision a list of the specific items of property to be revised, viz., (1) cases reported to it by (*a*) rate collectors and (*b*) by any ratepayer in the area—as regards his own property or that of any other ratepayer in the area—and (2) supplemental cases reported by the Town Clerk, City Manager, or County Council Secretary.

Extent of Revisions since Griffith's Valuation.

Apart from the general revaluations in 1916 and 1926 respectively of Dublin and Waterford cities under section 65 of the Local Government Act 1898, (when both land and buildings were, as I have stated, valued on a basis of 1913 rental values), the only effective revision of valuations has been that made annually under sections 4 and 5 of the Valuation (Ireland) Amendment Act 1854. In connection with this annual revision an important point to be noted is that the Commissioner of Valuation has no power of initiative in selecting items for revision; he is strictly confined to such items as appear on each local authority's annual list. Also, in the case of land, the figures of Griffith's valuation cannot be changed on an annual revision except to apportion or amalgamate them when lands are divided or amalgamated.

In the case of buildings and other properties, the rating authorities (i.e. county councils, county borough councils and urban district councils, including borough councils) have the widest powers to insert any properties for revision of valuation which they consider need revision, but, in practice, with few exceptions, they never put any buildings on the list for revision except newly erected buildings and buildings which have been structurally improved, plus, of course, all the buildings which, by reason of decay or of deterioration of the street or neighbourhood where they are situate, or for any other reason are, in the opinion of the occupiers, too highly valued. That means broadly that buildings which have not been structurally

altered since Griffith's time have never had their valuations increased except in Dublin and Waterford cities, and two other towns—Galway Borough and Buncrana, to which I shall refer later. Great numbers of buildings have, of course, been either built or structurally altered since the initial general revaluation of 1852 to 1865, and most of these may be presumed, therefore, at some stage since that period to have come before the Valuation Office for revision of valuation, but it may be anything up to 100 years ago since the construction or alteration took place, and no increase in valuation would ordinarily have been made since that time, unless it was made in connection with the Dublin and Waterford cities revaluations of 1916 and 1926 respectively, and the comprehensive revisions of valuations in Galway Borough and Buncrana to which, as already stated, I shall refer later.

Calculation of Valuations.

I have already referred to the statutory basis of valuation—in force from 1852 down to the present day—as being the net rent at which the property could be reasonably expected to let at the time of the striking of the valuation. Now, that statutory basis of assessing on current values has never been observed since the initial general valuation of 1852 to 1865. Since then, on the annual revision of valuations—leaving land out of account—the valuations have always been fixed at lower figures than those represented by the values current at the time of fixing the valuation, and this practice has been followed in order to preserve a semblance of uniformity with existing valuations.

Prior to 1947, the position broadly was that outside the cities of Dublin and Waterford—which had been revalued, as previously stated, in 1916 and 1926 respectively—buildings stood valued on a basis of about 1860 rental values, and inside those two cities on a basis of 90% of 1913 rental values for Dublin and 1913 rental values for Waterford, and when the local authorities listed any buildings (including, of course, new buildings) for revision of valuation, the Valuation Office fixed the valuations on the supposed basis prevailing in the particular rating area. These measures, taken to preserve relativity for rating purposes, did not, however, succeed in preserving it. It was not, in fact, possible over such a long period as eighty years, without any general revaluation, to preserve rating relativity by that process of whittling down the true values of the sprinkling of cases coming up annually for revision. The amount of whittling down which should be done in any revision year could only be truly gauged upon a consideration of how far below true current values the general run of valuations stood in that revision year, and in fact they stood below it in all sorts of different ratios. Rate Collectors can see and report for revision of valuation new bricks and mortar, but properties may rise and fall in value quite apart from bricks and mortar, e.g. by rise or fall in situation value which is not physically visible, and rate collectors would not as a rule take it upon themselves to report a property for revision of valuation merely on the strength of surmise on their part that the situation value had risen. The result of that was that the general mass of valuations from which the Valuation Office had to try to deduce a “deduction for relativity” for annual revisions of valuations were not themselves relative. That result was further contributed to by the fact that in properties where situation

value fell, some ratepayers would, while others would not, choose to move to have the valuation of the property revised.

Since 1947, the practice—as is generally known—in regard to the valuation of buildings has broadly been to fix the valuations (*a*) in the case of rented properties, at about one-third of the current net reasonable rental value, discounting the inflated rents arising out of war and post-war conditions, and (*b*) in the case of properties (and these constitute the majority) not rented or for which rents are not readily ascertainable, one-third of a (rather low) percentage—4% where occupied for trade or professional purposes, and 3% where occupied for residential or farm purposes—on the estimated reasonable capital value of the property, discounting the huge increase in post-war capital values. This practice usually results in valuations less than 1938 rental values and less than the rents controlled under the Rent Restrictions Acts 1946 to 1953.

The reasons for the change in practice in 1947 were (*a*) to lay down a basis of valuation which could be understood by the present generation of valuers—it was hopeless to expect valuers to value property in 1947 on an 1860 basis of values or even on a 1913 basis, and (*b*) the huge increases in letting values following the 1939–1945 war had completely confused the whole position of valuations, and had rendered absurd (not to say grossly illegal) the idea of fixing valuations on an unascertainable 1860, or even 1913, basis, and (*c*) the repeal by the Rent Restrictions Act 1946, of section 3(5) of the Increase of Rent and Mortgage Interest (Restriction) Act 1923—which provided that houses or flats built after 2/4/1919 should be valued on a pre-war (i.e. 3/8/1914) rent level basis. That subsection had long nullified the long-established principle of valuation, laid down in section 11, Valuation (Ireland) Act 1852, that all buildings were to be valued on the same basis and, with its repeal, a return could be made to a uniform basis of valuation for all buildings coming subsequently before the Valuation Office for revision of valuation.

The change of practice in 1947 does not imply a disregard for the existing valuations for similar properties in the rating area. On the contrary, the Valuation Office valuer is allowed, as previously, to use his discretion, and, in making his valuations, to have regard to the valuations of similar properties, particularly those valuations made in recent years. In sum, the valuer's aim is to strike a fair valuation, taking every relevant circumstance into account. And the success of the valuers may be measured by the fact that 90% of their valuations are accepted by ratepayers.

Galway Borough and Buncrana.

In recent years two local authorities, i.e. Galway Borough and Buncrana, alive to the inequalities of valuations in their areas, listed all or nearly all the properties in their areas for revision of the valuations—excluding land and railways. I have already stated that Griffith's valuation on land cannot be changed, and as regards railways, their valuations are revised quinquennially by the Commissioner of Valuation, under a separate Act, viz. the Railways (Valuation for Rating) Act, No. 47/1931. The revised valuations for Galway Borough and Buncrana were made by the Valuation Office on the lines previously mentioned, i.e. around one-third of the current net

reasonable rental value. This one-third rental basis for valuation is, as I have already stated, the basis normally taken for annual revision of valuations throughout the whole of the country since 1947. In Galway Borough this comprehensive revision of valuations was carried out during the years 1946 to 1950 and resulted in an all-round increase in valuation of the 5,000 buildings (including new constructions) in the borough of 52%. From this revision for 1950 I have taken at random as a sample, 43 dwelling houses where no structural alterations had been made since the valuations were previously fixed, and I find that for—

	Previously valued in	The total valuations were increased by	And the individual increases ranged from
4 dwelling houses	1915	59% in 1950	50% to 100%
5	1922	40% " "	9% " 85%
4	1929	36% " "	26% " 100%
20	1935	23% " "	11% " 43%
10	1939	26% " "	20% " 100%

In the other rating area, Buncrana Urban District, for which a comprehensive revision, similar to that in Galway Borough, was completed at 1/3/1951 for 800 properties, the total increase in the valuation of the buildings was 58%, and in that area, anomalies in valuation—similar to those in Galway borough—were also revealed.

These two revisions in Galway Borough and Buncrana exposed the lack of proportion between the former individual valuations on houses that had not been structurally altered, and it may be taken that a similar lack of uniformity prevails in all other rating areas. The position at present, therefore, is that the only rating areas in the Republic which have a uniform or nearly uniform valuation are Galway Borough and Buncrana. Outside these two areas there is a general lack of uniformity, and some unfairness and injustice must in consequence be the result.

No. of Hereditaments and Total Valuation.

There are 1,250,000 hereditaments approximately in the Valuation Lists and the total valuations at 1st March, 1954, were in round figures :—

Land	..	..	..	..	..	£7,063,000
Buildings	..	..	..	..	..	6,562,000
Railways, Fisheries, Tolls etc.	..	..	..	..	..	288,000
Total	..	..	..	..	..	£13,913,000

In recent years the number of properties of all kinds where valuations have been revised has been between 36,000 and 40,000 per annum, or say 3% of the total number of valuations, a very small percentage even if one point alone is taken into consideration, namely that nearly all valuations existing in 1939 are now out of date due to the increase in terms of present-day £. s. d. in letting values. In fact, existing valuations on buildings are now further removed from their actual letting values than ever previously in the history of the Valuation

Office. In the 1903 Report of the Select Committee on the Irish Valuations Acts it was stated—"the result has been that not only according to the testimony of everyone has the valuation got very much out of date and full of anomalies . . ." The position has been aggravated since 1903 by the shattering effect of two world wars, the decline in the value of money and the increase in building costs.

Revaluation or its equivalent.

Four bills were introduced in 1865, 1873, 1877 and 1938 for a revaluation of the whole country, but none ever reached the Statute Book. However, under the law as it stands at present, the four County Boroughs, i.e. Dublin, Cork, Waterford and Limerick, may apply for a revaluation of all the properties in their respective rating areas under Section 65, Local Government (Ireland) Act 1898, on the basis, laid down in the section, of paying not more than one-half of the cost of revaluation, and on the further basis that the land is to be valued in the same manner as houses and buildings, i.e. on net letting value. An application for a general revaluation under this section 65 appears to me to be a reserved function of the respective Corporations of the four County Boroughs, and not an executive function of the City Manager and Town Clerk. (See section 51 (i) (c) and (d) Local Government (Dublin) Act, No. 27/1930; section 8, (i) (c) and (d) Cork City Management Act, No. 1/1929; section 12, (i) (c) and (d) Limerick City Management Act, No. 35/1934 and section 11, (i) (c) and (d) Waterford City Management Act, No. 25/1939).

The Sligo Corporation Act 1918, section 2 (9) provides also that a revaluation may be made on the application of the Corporation as provided in the case of a County Borough under section 65, Local Government Act 1898, and this also, as in the case of a County Borough, appears to be a reserved function of the Sligo Corporation (see section 16 (2) and (8) and paras. 5 and 6 of 2nd Schedule of County Management Act, No. 12/1940).

Section 34 of the Valuation (Ireland) Act, 1852, as amended, provides that a County Council may apply for a revaluation of the County area or any borough or urban district therein, but this section has always been considered by the Valuation Office to be inoperative, as no provision has been made for the cost of making the revaluation or for a basis of valuing the land.

To sum up, therefore, it appears that under the law as it stands to-day, a revaluation may be carried out—at the request of the local authorities concerned—for five rating areas only, i.e. the four County Boroughs of Dublin, Cork, Limerick and Waterford, and the Borough of Sligo. The existing total valuations for those five areas represent approximately 24% of the total valuations for the whole of the Republic.

But this does not by any means exhaust the powers of local authorities to obtain valuations based on full current values, because under present law any rating authority may, if it so wishes, secure the equivalent of a revaluation by listing for annual revision (under section 4, Valuation (Ireland) Amendment Act 1854) all the properties in its rating area for revision of valuation on the basis of current net rental values, except land, the valuation of which (section 5/1854) must remain unchanged, and railways which, as I have previously

stated, are valued quinquennially under the Railways (Valuation for Rating) Act, No. 47/1931. However, no rating authority has ever requested such a revision based on current values.

Obstacles to revaluation.

Why then, it may be asked, have not the rating authorities or ratepayers generally pressed for a revaluation or its equivalent? After all, a revaluation would—in the main—remove existing anomalies and secure that uniformity of valuations which is essential for fairness in the levy of rates. The answer appears to be—

- (1) Fear of increase in licence duties.
- (2) Fear of increase in income tax.
- (3) Fear of increase in expenses of a joint contributory area based on a proportion of aggregate valuations.
- (4) Fear of increase in the individual's rates being made easier by a lower rate in the £ following a revaluation.
- (5) Fear of increase in rates on buildings following a revaluation which does not apply to land.

I propose to deal with these points one by one.

Licence Duties.

The excise duties chargeable on full publicans' licences and various other classes of retail licences for the sale of intoxicating liquors are determined by reference to the valuations for rating purposes of the premises to which the licence is attached. Tobacco dealers' and refreshment house licence duties are also determined by reference to valuation.

The yearly charge for excise duty on a full publican's licence (Finance Act (1909-10) 1910), is one-half of the annual value of the premises—subject to minima related to the population of the area—and the number of such licences issued in the year 1951/52 was 11,913 and the duty payable thereon £138,538, being an average per licence of £11 13s. per annum, or 4/6 per week. This duty is, of course, passed on to the public as part of the overhead business expenses.

It is obvious that if on a revaluation the valuations of such public houses were on the whole trebled, there would be a sharp increase in licence duty, but this might be met by an adjustment of the duty, either in a Finance Act, or, as in Northern Ireland, in a Revaluation (Consequential Provisions) Act.

In connection with the Valuation Bill, 1938, the Minister for Finance stated in the Dáil that consequential amendments to existing statutes would be made at the appropriate time, and before the revaluation took effect (Dáil Debates, 9/2/1939, cols. 271-2, Second Stage of Bill).

Income Tax.

As to the fear of increases in income tax following a revaluation, when income tax was first introduced into this country in 1853 it was provided (section 13, Income Tax Act 1853) that the annual value of all tenements and rateable hereditaments chargeable under Schedule A (i.e. the income tax on ownership of property) should be ascertained according to the valuations in force for the purposes of rates. This basic system of assessment has continued ever since (under section 187, Income Tax Act 1918) subject to the following important changes:—

- (a) Section 6, Finance Act No. 20/1932, provided that a landlord receiving rent from a premises occupied for the purposes of any trade, profession or vocation should be assessed to income tax under Schedule D upon so much of the net income as is not covered by the Schedule A assessment.
- (b) Section 2, Finance Act, No. 31/1934, abolished the allowance under Schedule A for repairs, save for lands, farm houses and farm buildings and factories; this allowance (of 1/16th of the valuation on buildings other than farm buildings) was abolished because in arriving at the rateable valuation on which the Schedule A assessment was based, allowance had already been made for the cost of repairs.
- (c) Section 3, Finance Act, No. 28/1935, provided that the annual value under Schedule A was to be five-fourths of the rateable valuation save (1) for lands, farm houses and farm buildings, and (2) for the City of Waterford (the latter having been revalued in 1926), and (3) under section 5, Finance Act 1954, property occupied by the owner as a residence, even if a part thereof is occupied for the purposes of a profession or vocation.

It is clear, therefore, that for a century a change in rateable valuation up or down may carry with it a change up or down in income tax liability. The owner-taxpayer has genuine grounds to fear an increase in his valuation since it imports an increase in his income tax liability on the amount by which the valuation is increased plus—except for lands, farm houses and farm buildings, properties in the City of Waterford, and owner-occupied residences—an addition of 25%. This latter addition of 25% would no doubt be dropped after a revaluation had come into force.

It should be noted, however, that as regards business premises for which the rateable valuation has been increased—whether on revaluation or otherwise—with a consequential increase in the annual value for income tax, Schedule A, an allowance may be made in computing the profits of the business—for the purpose of Schedule D income tax—of the whole of the Schedule A assessment including the 25% addition already referred to. Thus there is no increase in the aggregate income tax payable by the proprietor of such a business except to the minor extent that where the proprietor owns his own premises, the increase in income assessable under Schedule A is treated as “unearned income” not entitled to “earned income relief.”

An anomaly arises in regard to the treatment for income tax of rents received from (1) premises occupied for the purposes of a trade, profession or vocation, and (2) from premises not so occupied, e.g. dwelling houses. In the latter case the owner is liable to income tax on the amount of the rateable valuation plus 25%, and in the former case on his actual net income. This leakage could be stopped by a clause in the Finance Act—similar to that in the British Finance Act 1940, which made liable to income tax all net rents in excess of the Schedule A assessments.

It is beyond doubt that there is a serious loss of income tax—probably over £1,000,000 per annum—by the State due to income tax

under Schedule A being assessed on the basis of rateable valuation instead of being related to true income at current levels. Other kinds of income, e.g. from business profits, salaries, wages, dividends, etc. being assessable to income tax on the basis of actual income. It is anomalous that owners of property are not generally taxed in like fashion.

Joint Charges.

As to the third "fear," i.e., increase in expenses in a joint contributory area, this matter may be illustrated by considering a case where, say, an urban district council is considering a proposal for a wholesale revision of the valuations of all the properties in its area. In such an instance, the question will at once arise as to how county-at-large charges, i.e. charges (e.g. for public assistance) spread over the county area as well as the urban area, will be affected.

Assuming the present valuation of the urban area to be	£100,000
And assuming the present valuation of the county area to be	300,000

Making a total valuation of county and urban area of	£400,000

And assuming further that the joint charges amount to £80,000, then the present contribution of the urban district council is 100,000

$$\frac{100,000}{400,000} = \frac{1}{4} \text{ of } £80,000 = £20,000,$$

but if the urban area is fully revalued with, say, an all-round increase of 200%, resulting in an increase of valuation of the urban area from £100,000 to £300,000, and the county area valuation remains, as heretofore, at £300,000, the urban district council contribution to the joint charges will then be £300,000

$$\frac{300,000}{£600,000} = \frac{1}{2} \text{ of } £80,000 = £40,000.$$

The urban district council would naturally say then—"why should we have a full revaluation when the result would be that we would have to contribute an extra £20,000 from our urban rates to the county rates."

The answer to this problem is that the county authority should also seek a full revaluation of its area at the same time as the urban council, and so bring about simultaneously a just distribution of the joint charges on the new revised valuations of the respective areas. Alternatively, it would be necessary to restrict by statute the contributory basis of the joint charge on the urban area as was done in the case of Buncrana by the Local Government (Temporary Reduction of Valuation) Act, No. 8/1954.

Increase in an individual's rates following revaluation.

As to the fourth "fear," viz. that an increase in an individual's rates would be made easier by a revaluation, the revaluation would, of course, have an immediate effect in a reduction of the poundage rate, e.g. if the present rate in an area is, say, 36s. in the £, and, following a revaluation, the rateable valuations in the area were trebled,

then the rate in the £ would be around 12s. or one-third of the former poundage rate. But how long, say the critics, would this state of affairs last? They would argue that a low poundage rate would give fresh impetus to all sorts of claims from the different pressure groups, from employees of the rating authority, from tenants of their properties, from ratepayers, and even from the Government for additional levies and contributions. A low rate in the £ would, the critics argue, act as a green light to all the hungry claimants for additional benefits at the expense of the ratepayers, whereas a high poundage rate of, say, £2 in the £ of valuation will have the opposite effect, a red light stopping all or nearly all additional claims on the rating authority. A high poundage rate has generally the effect of rousing the ratepayers from their customary state of torpor to one of loud criticism, active enquiry and close scrutiny of public expenditure.

I have already referred to the wholesale revision of valuations that took place in Galway Borough over the years 1946 to 1950. That was not a revaluation in the strict sense of the word since it was not made on current net rental values; instead this wholesale revision was, as I have previously mentioned, made on one-third current net rental values, with a consequent all-round increase of 52% in the valuation of the 5,000 buildings in the borough. Notwithstanding that large increase in valuation, the rate in the £ climbed from 28s. 9d. + domestic water rate 10d. in the £ for 1946/7 to 33s. 6d. for 1950/51. Thus an individual on a £20 valuation would have paid rates at 29s. 7d. in the £ for 1946/7 = £29 11s. 8d., and assuming his valuation was increased by 52% (which was the general increase in valuations) to £30 8s. 0d. his rates for 1950/51 were at 33s. 6d. in £, £50 18s. 5d., an increase of 72% in the rates borne by an individual occupier. May I add that the rates in the £ in Galway Borough have gone up further than the 33s. 6d. rate for 1950/51, the rate for 1951/1952 being 34s. 10d. in the £, for 1952/53 39s. 10d., and for 1953/54, 42s. 10d., and for 1954/55, 45s. 10d.

Similarly for the Buncrana Urban District for which, as I have already stated, a comprehensive revision of valuations—on the same basis as that in Galway Borough—was carried out at 1/3/1951, the total increase in the valuation of buildings was 58%. There the rate in the £ was 30s. 11.95d. in 1950/51, the year immediately preceding the revision, and 1951/52, the first year in which the revised valuations took effect, was 26s. 4.02d. Thus a Buncrana ratepayer whose valuation was £20 in 1950/51 paid rates for that year amounting to £30 19s. 11d., and assuming his valuation was increased by 58% (which was the general increase in valuations) to £31 12s. for 1951/52, then his rates for that year would amount to £41 12s. 2d., an increase of 34% over his rates for the preceding year.

All this, however, does not, I submit, invalidate a revaluation. Where the tendency is towards increased expenditure, it is all the more necessary for a rating authority to have its valuations revised to a uniform level so as to secure a fair distribution of the heavy burden of local expenditure. Valuations have not marched with local expenditure. The total valuations at 1/3/1939 were £12,390,815 and at 1/3/1954 £13,913,491, an increase in the intervening 15 years of £1,522,676 or 12%, whereas the expenditure from revenue of local authorities in 1954/55, estimated at £45,500,000, represents an increase

of 159% over the 1938/39 corresponding amount of £6,271,000. (See Tables in connection with the 1954 Budget.) It is worthy of note also that the amount derived by local authorities from Government sources to meet the expenditure from revenue of local authorities was £5,080,000 in 1938/39 compared to the local rates collected in that year, £6,271,000 and £22,200,000 in 1954/55 compared to estimated local rates collectible in that year of £16,250,000. In effect the taxpayer has since 1946/47 paid more to local authorities than the ratepayer, and, in consequence, it would not seem unfair for the taxpayer to demand, as a condition precedent to payment of these huge subventions from Government sources, that every local authority should take the steps necessary to ascertain its own true rateable capacity and thereby promote equality of sacrifice not only between its ratepayers but between ratepayers and taxpayers.

Increase in rates on buildings when land not revalued.

The fifth "fear" I propose to discuss is the most important of all, i.e. the fear of increases in rates on buildings following a revaluation which does not apply to land.

I have already said that of our total rateable valuations of £14,000,000 approximately, the land valuation amounts to one-half or £7,000,000, and that land valuations were made on the basis of net annual value by reference to agricultural prices in the years 1849, 1850 and 1851, which were years of great agricultural depression, and that such basis of valuation has remained unchanged for a century, except in the cities of Dublin and Waterford where revaluations were completed in 1916 and 1926 respectively, and the land was valued on the same basis as buildings, i.e. 1913 net letting value.

Griffith's land valuation ranged from zero per statute acre in the case of barren wastes and mountains up to 12s. per acre for fairly sound farming land, say in County Cork, and up to 20s. per acre for good land in Limerick and Meath. Land had to be first-rate before Griffith put it higher than 20s. per acre, save in cases where there was close proximity to a big town or city. Some good land in very close proximity to Dublin was valued as high as £4 per acre, which was about the peak figure of his land valuation.

There was scarcely a holding of land of any considerable size which Griffith's valuers were able to value at a uniform price per acre. In the same holding some of the land might be valued at 20s. per acre, some at 14s., some at 4s., and some at zero.

The average valuation of land for the whole of the Republic is 8s. 2d. per acre, varying from 3s. 9d. per acre in Counties Donegal and Mayo to a peak of £1 0s. 10d. for County Dublin. The average in County Wicklow is 7s. 5d., in County Cork 8s. 6d., and in County Kildare 12s.

It is obvious, therefore, that all land valuations bear little or no relation to net annual values in terms of present-day £. s. d.

If only properties other than land were to be subjected to a revaluation, there would be a complete change in the present incidence of rates, if, as is possible, the valuations of properties other than land were trebled on a valuation. On such a unilateral revaluation, land would remain at its present figure of £7,000,000, and other properties would, it is assumed, be increased from £7,000,000 to £21,000,000,

and therefore land, which at present constitutes half of our total valuation would, on such a revaluation, constitute only one-fourth of the new total valuation. The rateable incidence on land would in such circumstances be reduced from one-half to one-quarter, while the rateable incidence on properties other than land would be increased from one-half to three-fourths.

Under present law, the rates on agricultural land are relieved by approximately 50% through the operation of the Agricultural Grant, the amount of which for 1953/54 was £5,019,000 approximately (page 77, 1954/55 Estimates) compared to £1,870,000 in year to 31/3/1939, an increase of 168% over pre-war and all borne by the taxpayer. Ratepayers in the towns and cities pay more per £ of valuation and per head of population than the ratepayers in rural areas, due to the relief obtained by the latter from the Agricultural Grant.

In connection with the Valuation Bill 1938, the Minister proposed that—

- (a) all land within the County Boroughs and Dun Laoghaire should be valued on net annual letting value, same as buildings ;
- (b) agricultural land outside the County Boroughs and Dun Laoghaire should be valued on the old Griffith's valuations ;
- (c) non-agricultural land within Boroughs and Urban Districts should be valued on the net annual letting value, same as buildings.

The position in regard to values of land as well as buildings has, however, completely changed since 1938. In regard to buildings, it was estimated by the Valuation Office in 1938 that, following a revaluation, the total all-round increase in the Valuation of buildings would be about 50%. Such an increase would not then have involved any violent change in the incidence of rates on land and buildings, but, nowadays, with the huge increase in local authorities' expenditure and the estimated 200% increase in the value of buildings following a revaluation, the question arises as to whether any change should be made in the existing land valuations so as to preserve the present incidence of rates as between land and buildings. Various devices might be resorted to, e.g. the valuations on land in a rating area might be increased by the same percentage as the percentage increase in the aggregate valuation of buildings following a revaluation. Also, and without disturbing land Valuations, the Agricultural Grant might be applied wholly or partly to reduce the rates on buildings so as to preserve the former incidence of rates between land and buildings. Any course taken would doubtless cause discontent. Farmers would point out that agricultural land and buildings (but not farm dwellings) are totally derated in England and Northern Ireland, though our Commission of Inquiry into De-Rating reported in 1931 (page 76) that "The case for the relief of agricultural rates cannot be substantiated on the ground of the remission of agricultural rates in Great Britain and Northern Ireland."

The farming industry being much more prosperous now than in 1931, one might envisage considerable opposition from the towns, already burdened with high rates, to a revaluation which would have

the effect of transferring a high proportion of the farmers' rates to the townsmen. From a rough calculation I have made, for the County Council areas of Donegal, Kerry, and Meath, I estimate that if a revaluation were in force for the year 1951/52 on the basis of leaving land valuations undisturbed and on the assumption that the valuation of buildings would be trebled, the result would be that—

Net rates on land would decrease by 39%, 36% and 22% for Co. Council areas of Donegal, Kerry and Meath respectively.

Net rates on Buildings would increase by 92%, 99% and 143% respectively.

The figure of 143% for the County Meath is unusually high owing to the fact that the aggregate valuation of buildings in that county is very low compared to the aggregate land valuation.

In the cities and in those urban districts where the land valuation is negligible compared to the buildings valuation, there would be no great change in the incidence of rates following a revaluation.

Conclusion.

From what I have said it is, I think, clear that there are a great many snags in the way of a revaluation and that the problem has grown worse with the passage of time. There is, however, the middle course, to which I have referred viz., instead of having a revaluation based on current letting values, to revise the values of all properties, other than land and railways, in each rating area on the basis (see para. 7) at present followed in regard to the annual revision of valuations, i.e. on approximately one-third of the current letting values. This basis was adopted (see para. 8) in the previous revisions carried out in Galway Borough and Buncrana. The adoption of such a basis would probably result in an aggregate increase of around 50% in the valuation of buildings similar to the estimated increase in connection with the revaluation proposed in the Valuation Bill 1938 (see para. 16), and would secure uniformity in valuation, and would not cause the violent change in incidence of rates (para. 16) that a revaluation would now produce. Under existing law, a local authority may at any time request a revision of valuation of all properties in its area, other than land and railways, and, by taking such action, would—leaving land and railways out of account—achieve uniformity of valuation in its rating area.

DISCUSSION.

Mr. Broadhead: Mr. President, members of the Society, and guests, I must commence with an apology for my absence from your meeting this evening for it is one to which I was looking forward. I am afraid, however, that there is no controlling childish ailments, and I am greatly indebted to Mr. Bourke, who has so kindly agreed to read my notes for me.

I have had an opportunity of reading Mr. McElligott's paper, and it does give me great pleasure to propose this vote of thanks. I am personally often in conflict with the Valuation Office, but, however radical the disagreement, negotiations are usually on a friendly basis, and I am sure that you will join with me in wishing Mr. McElligott the enjoyment of his well-earned retirement.

I note that in his paper, Mr. McElligott does not criticise the principles behind the Valuation Acts or the basis on which Local Authorities are financed, namely, that a particular contribution to the rates shall be related to the monetary value of the physical stake in the particular area or more precisely, to the actual or potential income which the individual could expect from that stake or property. I agree that a change would not be desirable, but other methods are always being discussed, and the closest favourite is that site values only shall be taken into account. Yet, whilst local taxation on site values will ensure that a Grafton Street property is developed with a suitable building and not left idle, producing no rates, valuers would have great difficulty in arriving at fair assessments in view of the paucity of comparisons, and hardships would inevitably arise if Town Planning or individual monetary restrictions made development impossible. The existing method does, or ought to express the individual's comparative ability to contribute and, generally speaking, nobody minds paying his share if the man next door is doing the same.

I would agree also with the present arrangement whereby it is the employees of the Central Government who fixes this ability to pay. This leads to complete impartiality, and the country is sufficiently small to enable this work to be carried out from the centralised department in Ely Place. The Revenue Authorities in England have recently appreciated the desirability of this, but are finding the new system very unwieldy.

You have heard from Mr. McElligott of the almost universal lack of uniformity in so far as Rateable Valuations are concerned, and probably all of you have had experience of it. I can quote two large adjacent shops in the centre of Dublin which were both revalued in the 1920's at approximately £400 each, but one of them has, on two separate occasions, made two comparatively small extensions. The capacity of this shop for business is only slightly greater than the other, but the valuation is now four-figured. To my mind, uniformity is essential. The preamble to the 1852 Act states that one of its objects is to obtain uniformity, but you have seen how far present practice falls short of this ideal. I am afraid that I cannot comment on the general position with regards to the lack of uniformity in respect of Land Valuations, but I feel that any discrepancies are not as glaring as in the case of buildings, and so will confine myself to the latter, bearing in mind, of course, Mr. McElligott's warning about the incidence problem.

The present practice, in so far as buildings are concerned, has been described to you, and the methods whereby Rateable Valuations can be calculated from either purchase prices or actual rents have been explained. In the former case, 3% or 4% is taken to arrive at a hypothetical rent which is divided by three to give the Rateable Valuation, and in the latter case the actual rent, unless of course it is deemed unreasonably high, is divided by three to give the Rateable Valuation. I feel, however, that these two methods themselves do not lead to uniformity, as this example will show :—

A factory is purchased for £10,000, and the hypothetical rent is correctly calculated at 4%, giving £400 per annum, which is then divided by three to give a Rateable Valuation of £133.

If, however, a holding Company purchased the factory and leased it to the manufacturing company to show a normal market return of 7% to 8%, the actual rents would be £750 per annum suggesting a valuation not of £133 but of £250.

The solution to this anomaly is not easy, but perhaps actual rents could be capitalised to hypothetical capital values before the further calculation of the hypothetical rent and the subsequent lower rateable valuation. Or is this complicating matters too much ?

Incidentally, I must make sure that you appreciate that it was your speaker this evening who initiated the idea of maintaining the one-third level, and to my mind, it is the complete answer to the present problem. Also in passing, I must mention that he modernised us to the extent of passing from the out-dated Poor Law Valuation to the present Rateable Valuation.

I must, however, return to the question of uniformity. For premises in any city, town or village, it becomes more and more important especially where the poundage has risen to over the 40/- level. If the Rateable Valuation can be expressed as X, then the actual or hypothetical rent is presumably $3X$, but the rates at 40/- are also $2X$, which means that almost half of the gross income which a landlord can hope to realise out of a particular premises has to be paid over to the Local Authorities.

Mr. President, with your approval, I would like to perhaps overstep my brief, and quote some conclusions even if only to provoke criticism. Considering all the factors, I feel that my solution to the problem is to adopt one of the Commissioner's suggested middle courses and to extend the usage of the one-third basis. The incidence of rates would not be greatly upset, and it would be more an extension of the existing system than the introduction of a new formula. New legislation, however, would be essential. At present, when a valuation is increased, the "oppressed person" has the opportunity to appeal to the Commissioner for a re-Hearing, and, if no alteration is made, the 1852 Act prescribes an Appeal to the Circuit Court. As matters stand at present, however, the Act which allows an appeal also says that the Rateable Valuation shall be the full rental value, and makes no mention of the "deduction for relativity" to which the Commissioner referred. Unless, therefore, an unusual case can be presented to the judge, he is in theory, bound to dismiss the case the minute he hears Valuers admitting rents in excess of the valuation. There are one or two judges who lend a sympathetic ear, and who are sometimes able to reduce a high valuation to conform with others without the Commissioner being able to "state a case" against him, but there is virtually no appeal to an outside independent person at the present time, and I feel that there are many inequalities which persist because of this. I would suggest, therefore, that my private Bill legalise this point by laying down that the Rateable Valuation be based on one-third of the actual letting value, but in order that the system would be slowly brought up, and kept up-to-date, I would also give the Commissioner the power to list each hereditament in the country for a revision once every seven years. By this means, any inequality would be certain of being rectified, at the latest within seven years. I know Mr. McElligott is thinking that the existing Valuation Office staff could not possibly cope with this extra work, but I do feel that

Council applications for revisions would fall off when this system was seen to be working. I do agree, however, that the basic problems to any re-valuation are qualified staff and finance, and there is no easy solution to these problems. I only know of the midnight oil which is at present burning in Ely Place each year as the 1st March comes around, and the revised figures have to be issued to the Local Council Offices.

Mr. President, there are three other points to which I would like to refer briefly, and I will leave them as headings with comments only.

1. Exemption from rates for charitable or public reasons. The old and easy description of a charity has gone, and the majority now receive official grants in one form or another. The original intention was plain enough, but the growing in importance of both the Central and Local Government Bodies has complicated the position.
2. Rates remission. I feel that from the point of view of the country as a whole, this is more important for business premises than for residential properties.
3. Valuing of motive power. This was originally intended to refer to mill races, but has now been extended to electrical motors anywhere. I do not feel that this is equitable as the usage of one premises for manufacturing purposes may involve the use of considerable horse-power, whereas just as good a property from a valuer's point of view, might be used for storage purposes only, and escape the extra rates.

And now, I most sincerely hope that my remarks have not drawn any red herrings across Mr. McElligott's paper, and I am sure that you will join with me in thanking him for preparing it so carefully and making it so interesting.

Thank you, sir.

Mr. P. Callinan : As one who has had a background in rating of property, I have listened with particular interest to Mr. McElligott's paper, and must compliment him on the way he has set out the problem of revaluation here and the difficulties in its way. My own experience has included membership of a "Working Party" which was set up when the English Local Government Act of 1948 transferred the duty of preparing Valuation Lists from Local Assessment Committees throughout England and Wales to the Valuation Office under the Commissioners of Inland Revenue. Part IV of the 1948 Act provided for a new method of valuing for rating what were termed "small post 1918 dwelling houses." These included houses which had a rateable value not exceeding £100 in London, and £75 elsewhere, and it was proposed to value these hereditaments on the basis of 5% of the hypothetical 1938 cost of construction and 5% of the value of the 1st April 1949 of the site, the value of the site being based on the assumption that all buildings had been removed therefrom and that it could be used under town planning restrictions. In the case of local authority, Housing Association dwelling houses, flats and maisonettes were included, but the site was to be valued on 1938 costs instead of 1949 for other houses. In the case of all pre-1918 dwellings, these were to be valued by reference to the rents of comparable dwelling houses in the locality on 31st August, 1939 under

lettings then in force whenever made. My particular job included the drawing up of standard specifications for eight different types of houses, attaching a hypothetical price per square foot to each type, and making provision for variations between one type and another. It should here be stated that while the assessments of local authorities as regards post-1918 houses were fairly even within any particular rating area, they were not so as regards the country as a whole; in some instances, the assessment was less than half the 1939 letting value.

A good deal of field work was done under the special provisions of the 1948 Act as regards post-1918 houses. The Act, as the result of experience, was amended by scrapping the special provisions attended to, and now all dwelling houses are boardly speaking valued for rating on 1938 rents. The application of the Contractor's method is not satisfactory as a method of valuing dwelling houses, particularly where the house has been designed to meet the special requirements of the occupier. I have in mind one particular house in the English Midlands, built in 1937, in which the actual and hypothetical cost was in round figures £3,000, and the well-laid-out grounds would be assessed at £600. This would give a gross value under the Act of £180. The house stood in the Valuation List at £75. The gross value, if determined fully in 1938, would not have exceeded £90.

There is unevenness in the Griffith valuation of agricultural land, but I would prefer to leave that subject to Mr. Kilkelly, who is sitting next me, and who happens to be one of the very few valuers in this country who is professionally qualified as an agricultural valuer. Agricultural land, as such, is exempt in England and Wales from rating (apart from the farm house), but I have known cases where the occupier of a holding has stripped off the whole of the turf, and realised more from its sale to enthusiastic suburban gardeners than the capital value of the holding. That land, when so dealt with, did not escape the rating net.

One of the difficulties to be overcome in the matter of "general revaluation" will be to find qualified valuers, and by that I mean men who are trained in the practice of valuation from all angles. I have already referred to the very few qualified agricultural valuers available. The position as regards valuers qualified in urban valuations is a bit better. I am anxious to see the Valuation Office in Dublin recruit its staff solely from men who are already professionally qualified, instead of recruiting men from kindred professions and training them as valuers in a Government office. Men who qualify as engineers and architects in England frequently qualify also as valuation surveyors, but this is rare in Ireland.

The practice introduced in 1947 of valuing any property which comes up for Annual Revision, or is inserted for the first time, e.g. new buildings, operates very unfairly, and is in effect a tax on enterprise as well as being peculiarly detrimental to the building industry. I doubt, in view of certain decisions given 30 or so years ago in the English Courts, if it is any more legal here to pick out individual properties for revaluation without revaluing all other similar types in the area. On balance, however, I am agreeable to Mr. McElligott's suggestion that all properties should be valued on the basis of one-third current letting value, and that such course offers the line of least

resistance to general revaluation. I can claim that I put forward this proposal in articles which I contributed to the "Irish Times" over a year back. Further, I would urge that general revaluation should be undertaken in the four county boroughs without delay, and in other urban areas later. To sweeten the pill of revaluation, it will be necessary to transfer certain services which now fall on rates to the Central Fund. Rates are, however, likely to increase in the gross whatever is done, especially in connection with Vocational education.

I again thank Mr. McElligott for his paper.

Dr. Geary : I hesitate to speak amongst so many experts present this evening, but I am very glad to have an opportunity of adding my tribute to Mr. McElligott's paper, which is the clearest account I have read of the legal and administrative complexities of valuation. I must confess I was unable to understand Griffith's brochure on Instructions to Valuers, to which Senator Orpen eulogistically referred.

I would like to ask Mr. McElligott two questions. Many years ago I tried to use the average valuation per acre of agricultural land as one of the many indicators of the economic level in different counties. At the time I was advised that uniform standards had not been applied throughout the different counties. I would ask Mr. McElligott if this view is correct, and, if so, to what extent. I may say that instead of valuation per head I used actual rates collected per head of population for this particular inquiry.

In connection with my second question, I have frankly a statistical axe to grind. Rightly regarded, rates are taxes on capital assets, and there is a good deal of arbitrariness in the particular assets which are selected for this form of tax. I would venture to endorse Mr. Broadhead's view, as I understand it, that it is high time that there should be an examination of the theoretical bases of rating preparatory to a general revaluation. Why should we remain wedded to a concept devised when economics was in its infancy? It is a curious fact that if I choose to use £1,000 for the purchase of works of art, I am not taxed on the resulting assets: I am if I purchase a house.

The Central Statistics Office regards the estimation of the nation's assets (whether held in the form of cash at bank, external securities, house property, land, etc.) as an essential concomitant of the national income system. It is only when we know the level of the assets that we can decide whether increases in national income are being made at the expense of the nation's capital. Annual estimations of assets at current prices could easily be made if we had Valuation Office bench-marks at intervals of years. If values were available at current prices it would be a comparatively simple statistical task to express these values in quantum terms, i.e. at fixed prices. The Revenue Commission makes such assessments of assets of deceased persons each year in connection with the levying of Estate Duty. Would Mr. McElligott be good enough to comment on the practicality and expediency of ascertaining the value of assets of the whole population under the different heads at intervals of years? Apart from the requirements of statistics, it seems to me that such an aggregation would be an essential preliminary to a revised system of rating, with different incidence (including incidence nil) on different classes of assets if this be considered expedient.

Mr. T. Donovan : Mr. Chairman and gentlemen, I congratulate the Commissioner on his excellent paper, and on his indictment he should have worn a black hat. The original Griffith Valuation was completed in 13 years. It commenced in the South in 1852 when conditions as regards property were at a very low ebb, and finished in the North when conditions had improved, hence great inequality in the Valuations arose, and in the result the Valuations in the North were relatively higher than those in the South. Thus, we had at once the relativity factor produced but not given effect to until later by the Valuation Office. I submit there is no Statutory Authority for this deduction ; I submit also there is no provision for a reduction in the valuation of land when it disappears under the sea by erosion as, e.g. the old Tramore Racecourse—conversely I do not think land reclaimed from the sea can be valued. I suggest that the provisions governing the Belfast revaluation in 1932 (?) would be a useful guide. At present there is no hope of a general revaluation due to political pressure and the scarcity of valuers, as over 100 would have to be engaged for at least four years. A way out would be to give the Commissioner power to select areas for revaluation from time to time. I would also suggest the abolition of the Circuit Court Appeal or else retain it provided the Circuit Judge was guided by an expert sitting with him, e.g. a Fellow of the Chartered Surveyors (F.S.I.).

Reference has been made to the assessment for Income Tax of business rents ; there is no equality of sacrifice when private rents, enormous in Dublin, escape as in these cases the valuation is the measure of liability.

No mention has been made of valuations for E.S.B. purposes : what is the position exactly ?

To put our house in order, I suggest that a Commission be set up to examine the whole position and make recommendations to the Government.