SPECIAL ISSUE

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BILLS, 2014

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THE LAIKIPIA COUNTY VALUATION AND RATING BILL, 2014
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a registered lease for a definite term of not less than twenty-five years or for the natural life of any person, or under a registered lease which is renewable from time to time at the will of the lessee, or under a registered lease which is for an indefinite term or is renewable indefinitely, or under a registered lease which is renewable at the will of the lessee for a term or terms which, together with the initial term of the lease, amounts or amount to not less than twenty-five years, or is a person having any interest, other than an interest as a statutory tenant arising under the Rent Restriction Act (Cap. 296) in such property entitling him to possession thereof for a period not less than the period for which he would be entitled to possession if he were the lessee of the property; or

(c) is a lessee of public land, under a registered lease of such property holding under a lease for, or is a person having an interest in such property otherwise than as a lessee entitling him to possession of such property for, a definite term of less than twenty-five years; or

(d) in the case of property situate in any district, area or place to which the Land Registration Act, 2012 has been applied, but being property in respect of which no certificate of ownership has, at such date as aforesaid, been registered under that Act has or claims to have any such leasehold or other interest in the property as is specified in paragraph (a), paragraph (b) or paragraph (c), or, where it cannot be established that any person has or claims to have such an interest, is in possession, or is in receipt of the rents or profits, of such property; or

(e) subject to paragraph (b), in the case of Trust land vested in the county government, which receives the rent therefor, or which
would receive the rent if the land were leased; or

(f) is the lessee from the county government of the rateable property holding under a registered lease of not less than ten years, shall, for the purposes of this Act, be the rateable owner of the property.

"rateable property" includes land, except—

(a) any land used or reserved for roads, streets (including private streets), car parks, squares, parks, gardens or other open or enclosed spaces vested in the county government;

(b) public land as defined in the Constitution and provided for under the Land Act;

(c) Community land as defined and provided for in the Constitution and provided for under the Land Act;

(d) any land used for any of the purposes specified in section 21 or under any rule made thereunder.

"the valuer" means any person or authority prescribed by or under any law for carrying out valuation of land for the purpose of imposing rates on land so valued;

"time for valuation" means such date, within a period of twenty-four months preceding the commencement of the financial year in respect of which a valuation roll prepared under section 9 is to come into force;

"value of land" and "value of unimproved land" shall be construed by reference to section 13.

3. The purpose of this Act is to provide for a legal framework for valuing and rating land in order to—

(a) ensure efficiency, accountability and transparency in administration of valuation land for rating and rating;

(b) promote economic development;

(c) ensure equity and fairness in land valuation
title deed or instrument in possession of any public officer or any person with interest in the land or property.

(2) A person who wilfully hinders or obstructs the Director or a valuer in the exercise of the powers conferred on him under this section commits an offence shall be liable to a fine not exceeding twenty thousand shillings.

(3) The Director or valuer may, by notice in writing, require the rateable owner or the occupier of any land to make a return containing such written particulars in regard to that land as may be necessary to enable the valuer to prepare a draft valuation roll or draft supplementary valuation roll accurately.

(4) A rateable owner or occupier of land who—
   (a) neglects to furnish the particulars required under subsection (3) within fourteen days after being called upon to do so commits an offence and liable to a fine not exceeding twenty thousand shillings;
   (b) furnishes false statement of value or of any other particulars shall be guilty of an offence and liable to a fine not exceeding ten thousand shillings.

(5) A conviction under subsection (4) shall not be construed as an exemption to provide the required particulars.

12. The valuation roll shall consist of—
   (a) the description, situation and area of the land valued;
   (b) the name and address of the rateable owner;
   (c) the value of the land;
   (d) the value of the unimproved land;
   (e) the assessment for improvement rate.

13. (1) For the purposes of valuation roll, the value of land shall be the sum which the freehold free from encumbrances might be expected to realize if offered for sale on such reasonable terms and conditions as a bona fide seller might be expected to impose.
(2) In arriving at the value under subsection (1), the Directorate shall have to other land of similar class, character or position or to other comparative factors and to any restrictions imposed on the land or its use under any written law, which either increase or decrease the value of the land.

(3) In arriving at the value of land under this section, the valuer may adopt any suitable method of valuation.

(4) Where a valuation roll includes the value of the unimproved land, the value of any improvements and the value of the land, shall in no case exceed the amount found by deducting the value of the unimproved land from the value of the land.

14. The Directorate shall when preparing the valuation roll ensure that the rateable owners and any interested person are actively consulted and involved throughout the process.

15. (1) The Directorate shall, after the completion of the valuation roll under section 16 (1) and before submission to the executive member, issue a public notice—

(a) informing the rateable owners or any interested person where the valuation roll can be inspected;

(b) inviting any person who has an objection with any issues stipulated under subsection (2) to lodge the objection with the Directorate.

(2) A rateable owner or a person is aggrieved by—

(a) the inclusion in or omission of any rateable property from the valuation roll; or

(b) any value ascribed in a valuation roll to any rateable property; or

(c) any statement made or omitted to be made in respect to any rateable property;

may lodge an objection to the Directorate in the prescribed form within twenty one days after the notice issued under this section.
Provided that nothing in this subsection shall apply to land used for profit or for residential purposes other than those specified in paragraphs (a) and (d) of this subsection.

(2) For the purposes of this section the executive member may make rules—

(a) determining the principles upon which any land shall be deemed to be used for any of the purposes specified;

(b) prescribing the principles for determining the circumstances in which any land shall be deemed to be _bona fide_ intended to be used for any of the purposes specified.

**PART IV—RATING**

22. There shall be levied rates on any property that is rateable under this Act.

23. (1) The following rates shall be applicable under this Act—

(a) an area rate in accordance with section 24 of this Act;

(b) an agricultural rental value rate;

(c) a site value rate or a site value rate in combination with an improvement rate in accordance with section 25 of this Act.

(2) Where any one of the forms of rating under subsection (1) has been adopted in respect of any rating area, no other form of rating under this subsection shall, at the same time, be adopted in respect of that area.

(3) The provisions on valuation under this Act shall apply in regard to any form of rating adopted under this Act.

24. (1) Subject to subsection (2) the county government may, with the approval of the county assembly, adopt one or more of the following methods of rating—

(a) a flat rate upon the area of land;

(b) a graduated rate upon the area of land;

(c) a differential flat rate or a differential
graduated rate upon the area of land according to the use to which the land is put, or capable of being put, or for which it is reserved;

(d) an industrial rate upon the area of land used for other than agricultural or residential purposes;

(e) a residential rate upon the area of land used for residential purposes;

(f) such other method of rating upon the area of land or buildings or other immovable property as the county government may resolve.

(2) A rate levied under this section shall be referred to as an area rate.

(3) The executive member on the recommendation of the Directorate may adopt different methods of area rating for different parts of the county and may from time to time vary the method or methods adopted, and may adopt in relation to any rating area the methods of area rating referred to in subsection (1) in the manner following, that is to say—

(a) method (a) or method (b) or method (c) as alternative methods which are mutually exclusive;

(b) method (d) or method (e), or both, in addition to method (a) or method (b), but not in addition to method (c);

(c) method (f) shall not be combined with any other method of area rating.

25. A site value rate may be levied in combination with a rate on the assessment for improvement rate as appearing in the valuation roll (in this Act referred to as an improvement rate):

Provided that—

(i) any site value rate shall not, without the approval of the county assembly, exceed four per centum of the unimproved value of land; and
registered office; or

(c) by ordinary or registered post; or

(d) by delivering it to some person on the premises to which it relates, or, if there is no person on the premises to whom it can be delivered, then by fixing it on or to some conspicuous part of the rateable property; or

(e) by any method which may be prescribed.

(3) Where any notice, demand or other document required to served under this Act has been sent by ordinary or registered post, delivery or service thereof shall, unless the contrary is proved, be deemed to have been effected at the time at which a letter would be delivered in the ordinary course of the post.

PART V—MISCELLANEOUS

37. (1) The executive member may, on recommendation of the make regulations generally for the better carrying out of the object of this Act.

(2) Without prejudice to the generality of subsection (1), the Regulations may—

(a) prescribe the form and contents of valuation roll;

(b) prescribe the forms of applications and notices;

(c) prescribe the rates payable under this Act;

(d) prescribe fees payable under this Act.

38. Any rate paid or payable to the county government prior to the coming into force of this Act shall be deemed to be paid or payable under this Act.

39. Any valuation roll prepared or adopted prior to the commencement of this Act shall cease to have effect.
MEMORANDUM OF OBJECTS OF REASONS

This Bill provides for the legal framework for land valuation for the purposes of rating and for the rating process by the county government.

The Bill seeks to promote transparency and efficiency in the land valuation and rating process. The Bill has been prepared in accordance with the national standards and policies related to valuation and rating.

Part 1 of the Bill deals with preliminary matters. The Part sets out the purpose of the Bill which includes ensuring effective, efficient and transparent administration of valuation of land for rating and rating, ensuring equity and fairness on the valuation and rating process.

Part 2 of the Bill provides for administration framework. It establishes the Directorate of Surveys which is responsible for dealing with relevant matters related to surveys. It also establishes the office of the Director of Surveys.

Part 3 of the Bill provides for the process of valuation of land for rating. It provides for the preparation of the valuation roll, the content of the valuation roll and the process of preparation of the valuation roll.

Part 4 of the Bill provides for the rating process. It provides for the levying of rates, the forms of rating, the methods of area rating, the process of collecting the rate, payment of rates and the appeal mechanisms where disputes arise in relation to rating.

Part 5 of the Bill provides for miscellaneous provisions, which includes the powers of the Executive to make Regulations as well as the transition mechanisms.

Dated the 30th July, 2014

VIRGINIA WAMBUI NDERITU,
County Executive Member,
Road, Transport, Land Housing, Energy and Public works.