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For Immediate Release

## LAND INHERITANCES NOT AT RISK

The Growth Area Infrastructure Contribution (GAIC) will not apply to land inheritances or to farmers who want to retire on their land, the Growth Areas Authority said today.

“Land that simply transferred as part of inheritance after a death in the family will not attract the contribution under the draft legislation,” GAA’s chief executive officer Peter Seamer said today.

The GAIC will help meet the cost of new infrastructure in Melbourne’s growth areas and will go towards the cost of new road and rail projects as well as other important community works.

“This contribution is vital for the development of liveable communities that need more than just blocks with houses on them but the roads, schools and community facilities to support them,” Mr Seamer said.

“Landholders whose land is rezoned for urban development will be considerably better off financially because whenever farming land is rezoned for development it increases in value,” Mr Seamer said.

According to an independent market valuation recently commissioned by the GAA the value of rural land inside the urban growth boundary in the shire of Cardinia was three times greater than the value of rural land adjacent to the Urban Growth Boundary.

“In another example, in Wyndham City Council rural land not adjacent to the Urban Growth Boundary was on average selling for around \$15,000 per hectare in 2008 while rural land that had been brought within the Urban Growth Boundary and zoned for urban growth had a comparative selling price of around \$400,000 per hectare,” Mr Seamer said.

The draft legislation for the contribution has also considered potential cases of hardship and has a safeguard built in to assess individual cases.

“I also want to assure people who want to retire on their land that they will not have to make a contribution if there’s no land sale. The aim of the Growth Area Infrastructure Contribution is to capture some of the windfall profits that are made when farming land is rezoned for urban development, and then sold or developed, to put a portion of that profit towards the roads, schools, parks and transport that people need,” Mr Seamer said.

The GAIC does not apply to land parcels that are less than or equal to 0.41 hectares. The GAIC will also not apply to land that is clearly ‘undevelopable’ and not included in the Urban Growth Zone.

It is also recognised that unintended personal hardship may arise in exceptional circumstances, and consideration has been given to providing relief in such circumstances.

The GAA will be holding a series of GAIC Information Seminars for landholders across all Melbourne’s growth areas, and details of the dates and locations will be available soon at [www.gaa.vic.gov.au](http://www.gaa.vic.gov.au)

For further information about the Growth Area Infrastructure Contribution, please contact the GAA on 9651 9600.

*For further information contact the GAA on (03) 9651 9600 – [www.gaa.vic.gov.au](http://www.gaa.vic.gov.au)*