

Consultation document: Proposed changes to the Rating Valuations Rules 2008 – Reporting Requirements for Sales

Rating Valuations Regulation

27 May 2026



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Have your say on the proposed changes to the Rating Valuations Rules regarding reporting requirements for sales

The Valuer-General is seeking feedback on the proposed update to insert a new Rule 9 and Appendix I to the Rating Valuations Rules 2008, which will set out the sale reporting requirements including nature of sale descriptions that practitioners must use when providing the information through the Notice of Change (NoC) service in Landonline. The proposed updates are set out in this document.

Your feedback

Feedback can be provided by:

- Submitting an individual or collective written submission.
- Contributing to a submission from an organisation or professional body.

It would be helpful if feedback:

- Refers to the relevant section number in the Rules where possible.
- Includes the reason behind your comments (examples are encouraged).
- Comments on the options in the table, including whether they are easy to understand, if some options needed to be altered, or if there are additional options that should be provided.

Email written feedback to: engagement@linz.govt.nz

Feedback is due by 24 June 2026 (5pm). However, earlier feedback is appreciated.

Confidentiality

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Enquiries

Email: engagement@linz.govt.nz

Purpose

The Rating Valuations Regulations 1998 (the Regulations) will be changing to require the mandatory provision of property sales data to the Valuer-General. Updates to the Rules are required to align with the changes in the Regulations and provide the necessary requirements and information for compliance with the Regulation amendments. This paper sets out a proposed update to insert a new Rule 9 and Appendix I of the Rating Valuations Rules 2008 (the Rules) to prescribe mandatory nature of sale details and descriptions.

Context

Rating valuations system

The objective of the rating valuations system is to produce rating valuations that are nationally consistent, impartial, independent and equitable so that Territorial Authorities (TAs) can implement their rating policies¹. Rating valuations are required to be a reasonable proxy for market value of the rating unit (property) at the time of a general revaluation, which each TA must undertake at least every three years. One of the key inputs into a revaluation are market sales.

Property sales information is part of the District Valuation Roll (DVR), which is required to be maintained by TAs under the Rating Valuations Act 1998. Most TAs contract Valuation Service Providers (VSPs) to undertake rating valuation processes, including revaluations and maintenance of the DVR.

Rates are a form of property tax that property owners are legally required to pay. Rates are used to fund local government activities, such as road maintenance, water supply, public parks and libraries. Rating valuations are used as an input by TAs when implementing their rating policies.

The role of the Valuer-General

The Valuer-General (VG) is a statutory officer with responsibilities under the Rating Valuations Act 1998 (RVA) to ensure a nationally consistent, impartial and equitable rating valuations system. This includes setting rules and standards for how rating valuations are carried out, monitoring and auditing DVRs, and certifying councils' revaluations before they are used for rating purposes. The VG does not have operational responsibilities to set individual property values.

¹ Rating policies define how local councils distribute the cost of providing community services, facilities and infrastructure across property owners. These frameworks dictate how rates are calculated using factors such as capital value, property use (i.e. commercial or residential), and location to ensure proportional and equitable funding.

The Rating Valuations Rules 2008

The VG has specific, mandated rule-making powers under section 5 of the RVA, relating to a range of processes, data and information.

Current requirements for sales data reporting

Rating valuations reflect the likely market value of a property on the revaluation date. This value is primarily assessed based on the analysis of sales of similar properties within the district since the previous revaluation. This means it is important that valuers have access to complete and accurate property sales information.

To satisfy reporting requirements to notify a change of ownership under section 31 of the Local Government (Rating) Act 2002 (LGRA), conveyancers and solicitors provide some property sales data to councils. Conveyancers and solicitors can utilise LINZ's NoC form, which is done digitally via Landonline, to notify the council under section 31 of the LGRA.

This information provided via Landonline is then fed through to the council's valuers, where it becomes part of the DVR. The Rules provide coding requirements for these sales to support operational processes and regulatory review of revaluations.

The problem

The quality of general valuations has been declining over the past 10 years, with significant numbers of revaluations not meeting the audit and certification standard on the first attempt. This decline puts pressure on the rating valuations system, as substantial re-work from VSPs and input from the Valuer-General's office is required to meet the standard. It also costs TAs to monitor non-compliance with the LGRA and they have no enforcement provisions. Missing or inaccurate sales data has been identified as a significant contributor to the decline in quality of revaluations.

It takes time and resource for VSPs to gather missing sales information prior to revaluations and to rework revaluations following failed audits.

Property sales information is a key input into general revaluations because it is the leading evidence of market value. If a complete set of property sales data is available, revaluations are more likely to be accurate and receive VG certification approval following the first audit.

Regulation amendments

In 2025, LINZ consulted key stakeholder groups in the rating valuation process, including territorial authorities, VSPs and professional legal bodies, on requiring sales data and information to be provided directly to the VG. The proposal to amend the Regulations was part of broader work programme by the VG and LINZ to address revaluation performance issues.

Cabinet has agreed to amend the Rating Valuations Regulations 1998 (the Regulations). Amendments aim to improve the quality of sales data and create efficiencies in the rating valuations system.

Amendments to the Regulations will require that specified property sales information is provided to the VG when a property is sold, to address long-standing gaps and errors in sales data used for rating revaluations. Vendors, or the solicitor or licensed conveyancer acting on their behalf, will be required to provide key information, within set timeframes.

The amended Regulations will require the following essential property sales data to be provided:

- sale price
- date the agreement for sale and purchase was signed
- settlement date
- whether the sale price includes GST
- land, buildings and fixtures apportionment (where applicable)
- nature of the sale (for example, arm's-length market sale or not).

The Rules will need to provide details for the options available to reflect the nature of the sale.

To make compliance as easy as possible, amendments related to the Regulations will also:

- enable the Valuer-General to specify the form in which electronic information must be provided.
- create an offence for non-compliance.

Rule updates

Although the Regulations set out the high-level requirements for provision of sales data, the Rules need to be updated to support these new Regulations by prescribing the context, detail and commentary to enable and achieve improved quality of data for revaluations. This document is consulting on the detailed elements that are proposed via updates to the Rules.

The amendments to the Regulations deal with the *type* of information to be provided. This information is factual and can be drawn from sale and purchase agreements. For example, sale price and agreement date.

One of the required pieces of information by the Regulations is nature of sale. The nature of the sale provides additional information and context for valuers assessing whether a transaction is a bona fide market sale or not. Non-market sales are generally not used for setting values during a general revaluation.

The nature of sale requirements will make it mandatory to provide information via different reporting options depending on the circumstances of the transaction. The nature of sale options are more likely to require additional Rule changes in the future than the higher level factual information prescribed in the Regulations.

Once the Regulations are in place, the proposed rule update will insert a new rule (Rule 9) and new appendix (Appendix I), which will set out the sale reporting requirements and nature of sale descriptions that practitioners must use when providing the information through the Notice of Change (NoC) service in Landonline.

The NoC service in Landonline will be coded so that the options set out in Rule 9 and Appendix I are available via drop down boxes for practitioners to choose from.

Scope

Updates to the Rules set out in this document are targeted, with the purpose and scope limited to aligning them with amendments to the Regulations. The Regulations are currently being drafted and are not yet in effect. Updates to the Rules are being progressed now, with the intention that both the Regulations and the Rules come into force at the same, or a similar, time.

This proposal is separate from the broad review of the Rules that is currently underway, which has a strong focus on the requirements of the DVR. Separate consultation on these broader rule changes is anticipated for late 2026.

Proposed rule changes

Insertion of new Rule 9 – Reporting Requirements for Sales

This proposed change will be inserted as an additional rule to support the mandatory data requirements under the Rating Valuations Regulations amendments.

9.1 Reporting

When reporting a sale under new section 13A of the Rating Valuations Regulations, a practitioner must select the:

- a) instrument type being lodged, and*
- b) appropriate description of the nature of the sale that relates to the instrument selected in 9.1 (a).*

9.2 Tables of instrument type and nature of sale descriptions

- a) The instrument type must be chosen from column 2 of table 28 (Appendix I)*
- b) The selection of the nature of sale of the instrument type must be chosen from column 3 of table 28 (Appendix I).*

Insertion of new Appendix I – Nature of Sale Options

1.1 **General**

The nature of sale reporting options that must be used under the Rating Valuations Regulations are set out below:

1.2 **Table 28 – instrument type and nature of sale**

Column 1	Column 2	Column 3
Code	Instrument type	Nature of sale
1	Sale and Purchase	<ul style="list-style-type: none"> a. Open market sale at arm's length b. Off-market sale at market valuation c. Non-market sale (family, friend, other) d. Mortgagee sale e. Boundary adjustment
2	Transfer or Vesting	<ul style="list-style-type: none"> a. Administration of an estate b. Gazette notice c. Restructure within existing ownership d. Relationship property settlement e. Joint family home f. Transfer/vesting pursuant to court order g. Transfer/vesting under legislation h. Stopped road
3	Māori Land	<ul style="list-style-type: none"> a. Administration of an estate b. Gazette notice c. Restructure within existing ownership d. Relationship property settlement e. Joint family home f. Transfer/vesting pursuant to court order g. Transfer/vesting under legislation h. Stopped road
4	Trusts	<ul style="list-style-type: none"> a. Transfer to trust b. Change of trustee(s) c. Distribution of trust assets
5	Other	<ul style="list-style-type: none"> a. Change of name b. Correction of name c. Exchange d. Gift e. Transmission

How to provide your feedback

You can email your feedback to **engagement@linz.govt.nz** by **5pm 24 June**.

LINZ is required to carry out its functions with transparency. Please be aware that any information provided may be discussed with, or provided to, other parties. Identify any information you wish to remain confidential and provide reasons for this (for example, that certain information is commercially sensitive). You should also be aware LINZ is subject to the Official Information Act 1982 (or relevant legislation).

Appendix 1 – Frequently Asked Questions

Where can I find further details on the amendments to the Regulations?

The Regulations are currently being drafted and are not yet in effect. Further information, including documents related to the decision-making for the amendments to the Regulations, is expected to be released on LINZ's website in June.

Updates to the Rules are being progressed now, with the intention that both the Regulations and the Rules come into force at the same, or a similar, time.

Why do the Rules need updating?

The Rating Valuations Rules are being updated to align with amendments to the Rating Valuations Regulations. Those regulatory amendments intend to improve the quality and consistency of property sales data used for rating valuations. Better sales data supports more accurate, timely, and auditable revaluations by councils and their VSPs.

Recent audits have shown that many revaluations fail certification on the first attempt, with missing or inaccurate sales data being a significant contributing factor. The changes are designed to address that problem at the front end.

What information must now be provided when a property is sold?

The amended Regulations will require the following essential property sales data to be provided:

- sale price
- date the agreement for sale and purchase was signed
- settlement date
- whether the sale price includes GST
- land, buildings and fixtures apportionment (where applicable)
- nature of the sale (for example, arm's-length market sale or not)

The Rules will provide for the options available to reflect the nature of the sale.

Who is responsible for providing the required sales data?

The obligation sits with the vendor, or with the solicitor or licensed conveyancer acting on the vendor's behalf. In practice, this will usually be done by conveyancers and lawyers as part of the conveyancing process.

Most of the required information is already included in sale and purchase agreements. The change formalises and enforces its provision for rating valuation purposes.

How must the information be provided?

- For electronic transactions in Landonline, the information must be provided within 10 working days of settlement.
- For manual transactions, the information must be provided when the land transfer is lodged.
- Where Landonline (or an equivalent system) is used, the information must be provided in the form specified by the VG via that system. The VG intends to specify the use of the existing Notice of Change form in Landonline.

What happens if the required information is not provided?

Failure to provide the required information will be an offence under the amended Regulations.

The enforcement role sits with the VG.

What will the changes mean in practice?

For vendors, or solicitors and conveyancers acting on their behalf, the changes are expected to:

- clarify to users the types of information required and how to supply it
- remove ambiguity as the provision of the information is a natural fit for the rating valuations system, rather than the Local Government (Rating) Act 2002
- make it easy to comply through use of the existing NoC function in Landonline, with guidance and support from the VG.

For valuers, the changes are expected to:

- reduce time spent chasing missing or unclear sales data
- improve the consistency and reliability of sales evidence
- increase the likelihood that revaluations pass audit on the first attempt.

The Rules will continue to set audit and quality standards, but with better data, compliance should be easier and more efficient.

Councils will continue to:

- prepare and maintain district valuation rolls
- use rating valuations as the basis for setting rates.

The changes support councils by improving the quality of revaluation inputs and reducing delays caused by failed audits or data gaps.

What is the impact of these changes on costs?

There are some modest compliance costs, primarily for conveyancers and lawyers who are not already providing complete sales data. Analysis indicates that around 20 percent of transactions may require an additional 5 to 15 minutes to supply missing information.

These costs are expected to be outweighed by system-wide benefits, including fewer failed audits, less rework for valuation service providers, and reduced delays for councils. Over time, improved data quality is expected to lower overall costs across the rating valuation system and support fairer, more efficient rate-setting for ratepayers.

When do these changes take effect?

The updated Rules are intended to come into force on 31 August 2026, alongside the amendments to the Rating Valuations Regulations changes to require mandatory provision of sales data. Education and guidance will be provided ahead of commencement to support smooth implementation.