

Land (Assessment of the Value of Land for Compensation)

GOVERNMENT NOTICE NO. 78 published on 4/5/2001

THE LAND ACT

(No. 4 OF 1999)

**THE LAND (ASSESSMENT OF THE VALUE OF
LAND FOR COMPENSATION) REGULATIONS, 2001**

(Made under section 179)

- Citation 1. These Regulations shall be cited as the Land (Assessment of the Value of Land for Compensation) Regulations, 2001.
- Interpretation 2. In these Regulations, unless the context requires otherwise –
“Act” means the Land Act, 1999;
“Government” means the Government of the United Republic of Tanzania;
“qualified valuer” has the meaning ascribed to it by section 2 of the Act;
“local government Authority” has the meaning ascribed to it by section 2 of the Act.
- Basis 3. The basis for assessment of the value of any land and unexhausted improvement for purposes of compensation, under the Act shall be the market value of such land.
- Market Value 4. The market value of any land and unexhausted improvement shall be arrived at by use of comparative method evidenced by actual recent, sales of similar properties or by use of income approach or replacement cost method where the property is of special nature and not saleable.

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5. Every assessment of the value of land and unexhausted improvement for the purposes of the Act shall be prepared by qualified valuer.	Qualified valuers
6. Every assessment of the value of land and unexhausted improvement for the purposes of payment of compensation by Government or Local Government Authority shall be verified by the Chief Valuer of the Government or his representative.	Chief valuer
7. Compensation for loss of any interest in land shall include value of unexhausted improvement disturbance allowance, transport allowance, accommodation allowance and loss of profits.	Compensation
8. The market rent for the building shall be assessed and multiplied by thirty six months in order to arrive at the accommodation allowance payable.	Accommodation allowance
9. The net monthly profit of the business carried out on the land shall be assessed, evidenced by audited accounts where necessary and applicable, and multiplied by thirty six months in order to arrive at the loss of profits payable.	Loss of profit
10. The disturbance allowance shall be calculated by multiplying value of the land by average percentage rate of interest offered by commercial banks on fixed deposits for twelve months at the time of loss of interest in land.	Disturbance allowance

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Transport
allowance

11. Transport Allowance shall be the actual costs of transporting twelve tons of luggage by rail or road (whichever is cheaper) within twenty kilometers from the point of displacement.

Unoccupied
land

12. The elements of transport allowance, accommodation allowance and loss of profits shall not be payable for unoccupied land at the date of loss of interest in land.

Interest

13.- (1) The interest upon any compensation shall be paid by the Government or the local government authority only where there is no prompt payment of compensation made.

(2) For the purpose of computing interest payable upon compensation "prompt payment of compensation" means payment of compensation within six months after the subject land has been acquired or revoked.

(3) Where amount of compensation remains unpaid for six months after acquisition or revocation, interest at the average percentage rate of interest offered by commercial banks on fixed deposits shall be recoverable until such compensation is paid.

Dar es Salaam,
3rd May, 2001

G. CHYO,
Minister for Lands and
Human Settlement Development