



AUSTRALIAN CAPITAL TERRITORY
LANDS ACQUISITION ACT 1994
LANDS ACQUISITION REGULATIONS 1999
Subordinate Law No. 30 of 1999
EXPLANATORY STATEMENT

The *Lands Acquisition Act 1994* (the Act) provides that where an interest in land is acquired by a compulsory process, the person from whom the land is acquired shall receive compensation for the loss of that interest.

Subsection 70(2) of the Act requires that where the Executive accepts a claim and makes an offer of compensation for the loss of an interest, an advance payment shall be made. By virtue of subsection 70(3) that advance payment must not be less than 90% of the total compensation payment.

Subsection 76(2) of the Act provides that a person who is liable for compensation for the acquisition of an interest, other than a mortgage interest, is entitled to receive interest on the compensation payable. The interest is calculated from the date on which the interest was acquired and is based on the amount of compensation that remains unpaid.

Part VII of the Act relates to compensation for the failure to proceed with an acquisition and the exercise of powers under Part II of the Act. Section 91 of the Act requires that where the Executive accepts a claim and makes an offer of compensation for a loss resulting from the temporary entry on, and occupation of, land under Part II or a loss due to the failure to proceed with a pre-acquisition declaration, an advance payment of compensation shall be made. That payment shall be 90% of the total compensation payment.

Section 96 of the Act provides that a person liable for compensation under Part VII of the Act is entitled to receive interest on the remaining unpaid amount of compensation.

Section 117 of the Act provides for the making of regulations.

Regulation 4 provides for the calculation of the interest payable on any unpaid compensation under sections 76 and 96 of the Act.

In line with the Commonwealth Lands Acquisition Regulations, the rate of interest payable is based on the assessed secondary market yield for 5 year non rebate Treasury bonds.