



# CAMA Applications For Property Tax Administration In Malaysia

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## Introduction



- Property tax is one of the resource for urban management
- The legislation empowers the local authorities to collect revenue based on property values
- Administration of property tax involves a process of planning the valuation of all properties within the local authorities and legalising the new valuation list
- This process has often lead to a number of issues and sometimes the proses could not be completed and causing an outdated valuation list



- Preparing valuation list
- Getting an equitable and fair tax
- Time
- Manpower
- Expertise

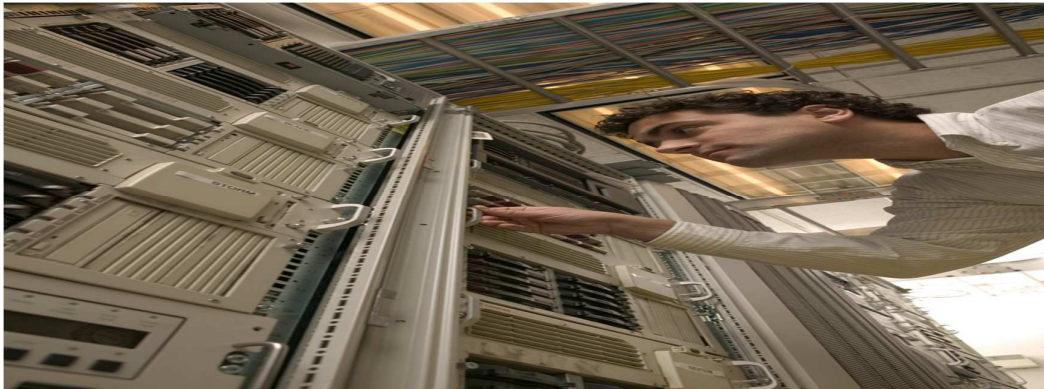
- CAMA is a generic term which refers to any soft-wares application to assist in property valuation (McCluskey et al, 1997)
- Development of a valuation model for the whole area and not just limited to a particular area (Deddis,2002).
- The objective of building the valuation model is to be able to analyse and value a number of properties efficiently taking into consideration of demand and supply a market factors.
- Some of its functions are for valuing property, maintaining property data, ensuring tax equity through uniform tax base valuations
- Involves mass appraisal to a large group of properties systematically using standard procedures and tested statistically(Eckert et al, 1990)
- This system use recent property transactions which are assumed to be the best indicators to estimates market value for all properties (Meelun *et al.*, 2010).



# Application of CAMA in Malaysia

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## A survey on 49 local authorities



## Aspects surveyed

- Man power to conduct valuation
- Revenue
- Expenditure
- Perception of local authorities on CAMA application



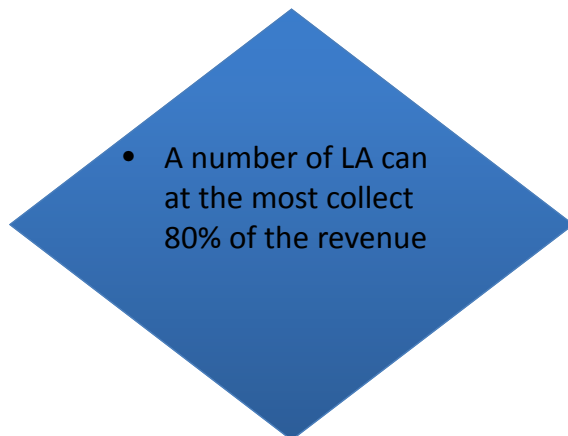
## Man power to conduct valuation

- Many LA have not enough man power to carry out valuation exercise
- A city council with 120000 properties with Only 3 valuers could not complete the valuation task
- Valuation need to be expedite so as to complete the valuation task for a new valuation list
- Requires assistance through a computerised valuation system



## Financial situation of local authorities

### Revenue



### Expenditure





# reception of local authorities on CAMA application

Work scope	Acceptance of local authorities(%)
Ability to handle large data	97.8
Speedy valuation	95.6
Accuracy and consistency	95.6
Low administration cost	79.5
Less manpower and constraint	90.7
Improve equity and fair tax	80.5



## What is next?



- Local authority must spend for a CAMA system or face further deterioration in property taxing system.
- The government must support all local authorities to upgrade the local authorities property tax system







# Acknowledgement



- Financial assistance from Malaysian Peninsula Land Surveyors Board (LJT).



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