

A BILL

*i n t i t u l e d*

An Act to amend the Land Acquisition Act 1960.

[ ]

**ENACTED** by the Parliament of Malaysia as follows:

**Short title and commencement**

**1.** (1) This Act may be cited as the Land Acquisition (Amendment) Act 2016.

(2) This Act comes into operation on a date to be appointed by the Minister, with the approval of the National Land Council, by notification in the *Gazette*, and the Minister may appoint different dates for the coming into operation of different provisions of this Act.

**Amendment of section 2**

**2.** The Land Acquisition Act 1960 [*Act 486*], which is referred to as the “principal Act” in this Act, is amended in subsection 2(1)—

(a) by inserting after the definition of “Land Administrator” the following definition:

‘ “lot” has the meaning assigned to it under the National Land Code [*Act 56 of 1965*] and includes any interim identification number allotted by Land Office pending the completion of final survey of any land held under qualified title, as the case may be;’; and

- (b) in the definition of “scheduled land”, by inserting after the words “land or lands” the words “including parcel or provisional block”.

### **Amendment of section 3**

3. Paragraph 3(3)(c) of the principal Act is amended by deleting the word “Government”.

### **Amendment of section 3c**

4. Subparagraph 3c(2)(b)(ii) of the principal Act is amended by substituting for the words “the Under Secretary of the Federal Territory Development and Klang Valley Planning Division, Prime Minister’s Department” the words “a representative from the Ministry or agency responsible for the Federal Territory”.

### **Amendment of section 3F**

5. Section 3F of the principal Act is amended—

- (a) in the shoulder note, by inserting after the words “**Withdrawal from**” the words “**the application of**”;
- (b) in subsection (1), by inserting after the words “withdraw from the” the words “application of”;
- (c) in subsection (2)—
- (i) by inserting after the words “withdraws from any” the words “application of”; and
  - (ii) by substituting for the words “conduct an enquiry to determine the amount of deposit to be forfeited for the payment of compensation to the persons interested” the words “forfeit the amount of deposit as prescribed in the rules”; and
- (d) by deleting subsection (3).

**Amendment of section 7**

**6.** Section 7 of the principal Act is amended—

(a) by renumbering the existing section as subsection (1);  
and

(b) by inserting after subsection (1) as renumbered the following subsection:

“(2) Where the acquisition of part of the land refers to underground land, the plan referred to in paragraph (1)(a) shall also describe the extent and area of the underground land to be acquired.”.

**Amendment of section 8**

**7.** Section 8 of the principal Act is amended—

(a) in the shoulder note, by substituting for the words “**required for a public purpose**” the words “**needed under section 3**”; and

(b) in subsection (2), by substituting for the words “paragraph 7(b)” the words “paragraph 7(1)(b)”.

**Amendment of section 9**

**8.** Section 9 of the principal Act is amended—

(a) in paragraph (1)(b), by deleting the words “or (3)”; and

(b) in subsection (2), by substituting for paragraph (a) the following paragraph:

“(a) where the scheduled land is held by registered title:

(i) on the register document of title; and

(ii) in the case of land with subdivided building or land, on the relevant strata register under section 4 of the Strata Titles Act 1985 [Act 318]; or”.

**Amendment of section 9A**

**9.** Section 9A of the principal Act is amended—

(a) in subsection (1), by inserting after the words “the State Director of Town and Country Planning” the words “or from any local planning authority,”;

(b) by substituting for subsection (2) the following subsection:

“(2) The State Director of Town and Country Planning or the local planning authority, upon receiving the request for information under subsection (1) shall provide the information required within two weeks from the request being made by the Land Administrator.”;

(c) by deleting subsections (3) and (4);

(d) by inserting after subsection (5) the following subsection:

“(5A) The information obtained under subsection (5) shall be disregarded if the acquisition is made under section 37 of the Town and Country Planning Act 1976.”;

(e) in subsection (6), by substituting for the words “subsections (3) and (4)” the words “subsection (2)”; and

(f) in subsection (7), by substituting for the word “(4)” the word “(2)”.

**Amendment of section 12**

**10.** Section 12 of the principal Act is amended by inserting after subsection (3) the following subsection:

“(4) The Land Administrator shall record all the evidence during the enquiry.”.

**Amendment of section 14**

**11.** Section 14 of the principal Act is amended—

(a) in subsection (1), by deleting the words “under his hand”;  
and

(b) in subsection (5)—

(i) by substituting for the words “The Land Administrator” the words “In addition to the award made under subsection 14(1), the Land Administrator”; and

(ii) by substituting for the words “imposed by the valuer” the words “prescribed by rules”.

**New section 19A**

**12.** The principal Act is amended by inserting after section 19 the following section:

**“Enquiry and award by the Land Administrator pursuant to Certificate of Urgency**

**19A.** (1) Notwithstanding that possession of the land has been taken pursuant to a Certificate of Urgency issued under section 19, the Land Administrator shall continue to make full enquiry and make an award in accordance with the provisions of this Act.

(2) Where the possession of the land has been taken under section 19, subsection 8(4) shall not be applicable if the Land Administrator has not made an award under subsection 14(1) within the said period of two years.”.

**Amendment of section 21**

**13.** Paragraph 21(2)(a) of the principal Act is amended by deleting the word “competent”.

**Amendment of section 22**

**14.** Subsection 22(3) of the principal Act is amended—

- (a) in paragraph (a), by deleting the word “and” at the end of the paragraph;
- (b) in paragraph (b), by substituting for the full stop at the end of the paragraph the words “; and”; and
- (c) by inserting after paragraph (b) the following paragraph:
  - “(c) the statutory body, person or corporation referred to in paragraph 23(a), and the management corporation in respect of a subdivided building or land.”.

**Amendment of section 23**

**15.** Section 23 of the principal Act is amended—

- (a) by deleting the words “or (3)”; and
- (b) in paragraph (a), by substituting for the words “parcel of a subdivided building, in the” the words “parcel of a subdivided building or land, in the statutory body,”.

**Amendment of section 26**

**16.** The principal Act is amended by inserting after subsection 26(3) the following subsection:

“(4) Where part of a subdivided building or land is acquired under this Act, the proper registering authority shall take necessary action in accordance with the Strata Titles Act 1985.”.

**Amendment of section 28**

**17.** Section 28 of the principal Act is amended—

- (a) by renumbering the existing section as subsection (1); and

(b) by inserting after subsection (1) as renumbered the following subsection:

“(2) For the purpose of subsection (1), the difference specified shall not exceed one quarter of a hectare or one per centum of the area of scheduled land as published in the *Gazette* under subsection 8(1), whichever is the greater, and such difference shall not be necessary for any further declaration to be made and published.”.

### **Amendment of section 29**

**18.** Subsection 29(1) of the principal Act is amended by inserting after the words “Form H” the words “, Form Lc or Form R”.

### **Amendment of section 29A**

**19.** Section 29A of the principal Act is amended—

- (a) in subsection (1), by inserting after the words “any scheduled land” the words “or compensation in Part VII”;
- (b) in paragraph 1(a), by inserting after the word “Form H” the words “, Form Lc or Form R”; and
- (c) in subsection (5), by substituting for the word “eight” the word “five”.

### **Amendment of section 31**

**20.** Section 31 of the principal Act is amended by inserting after the words “in any scheduled land” the words “or under Part VII”.

### **Amendment of section 32**

**21.** Section 32 of the principal Act is amended—

- (a) in subsection (1), by substituting for the word “eight” the word “five”;

(b) in subsection (1B), by substituting for the word “eight” the word “five”;

(c) by substituting for subsection (1c) the following subsection:

“(1c) In this section “due date” in relation to any land means—

(a) the date of taking possession of the land or a date three months after the service of a notice in Form H referred to in subsection 16(1) in respect of the land, whichever is the earlier; or

(b) a date three months after the service of a notice in Form LC referred to in paragraph 35(2)(c) or Form R referred to in subsection 58(1) or section 59.”; and

(d) in subsection (2), by substituting for the word “eight” the word “five”.

### **Amendment of section 32A**

**22.** The principal Act is amended by substituting for section 32A the following section:

“**32A.** For the purposes of sections 29A, 32 and 48, “payment” is deemed to have been made—

(a) on the day as notified in writing by the Land Administrator that the payment is available for collection by the person interested;

(b) on the day the payment is sent by registered post to the person interested;

(c) on the day of the delivery of the payment by the Land Administrator to the Court;



- (d) on the date the payment is received by the person interested; or
- (e) on the day the payment is transmitted electronically to the account of the person interested.”.

### **Amendment of section 35**

#### **23. Section 35 of the principal Act is amended—**

(a) by substituting for subsection (1A) the following subsection:

“(1A) A notification in Form LA shall be published in the *Gazette* and all proceedings already taken or being taken in consequence of the declaration in subsection 8(1) in respect of the land shall cease to have effect.”;

(b) in subsection (2)—

- (i) by inserting after the words “the Land Administrator” the words “, after notifying the person interested in Form LB,”;
- (ii) in paragraph (a), by deleting the word “and” after the words “to the person injured;”;
- (iii) in paragraph (b), by substituting for the full stop at the end of the paragraph the words “; and”;  
and
- (iv) by inserting after paragraph (b) the following paragraph:

“(c) prepare and serve on each person interested a notice in Form LC.”;

(c) by inserting after subsection (3) the following subsection:

“(3A) For the purpose of this section, subsection 14(5) shall be applicable if necessary.”; and

(d) in subsection (4), by deleting the words “or (3)”.

**Amendment of section 36**

**24.** Subsection 36(4) of the principal Act is amended—

- (a) by inserting after the words “section 14” the words “or compensation made under section 35 or Part VII”; and
- (b) by inserting after the words “to such award” the words “or compensation”.

**Amendment of section 37**

**25.** Section 37 of the principal Act is amended—

- (a) in subsection (1), by inserting after the words “section 10 or 11” the words “or any person interested pursuant to any compensation made under section 35 or Part VII who”;
- (b) in subsection (2)—
  - (i) by deleting the words “in respect of any interest in any scheduled land”; and
  - (ii) by substituting for the words “three thousand ringgit” the words “five thousand ringgit,”; and
- (c) in subsection (3)—
  - (i) by substituting for the words “Where the total amount of any award in respect of any scheduled land exceeds fifteen thousand ringgit” the words “Where the total amount of any award exceeds thirty thousand ringgit,”;
  - (ii) by deleting the words “undertaking a work which in the opinion of the State Authority is of public utility, and”;

- (iii) by substituting for the words “pursuant to section 3” the words “or being occupied or used pursuant to Part VII”; and
- (iv) by deleting the words “in any scheduled land under subsection (1),”.

**Amendment of section 38**

**26.** Section 38 of the principal Act is amended—

(a) in subsection (1), by deleting the words “, and a copy thereof shall be forwarded by the Land Administrator to the Registrar of the Court”; and

(b) in subsection (3)—

(i) in paragraph (a), by inserting after the words “the Land Administrator’s award under section 14” the words “or compensation made under section 35 or Part VII”; and

(ii) by substituting for paragraph (b) the following paragraph:

“(b) in other cases, within six weeks of the receipt of the notice from the Land Administrator under section 16, paragraph 35(2)(c), subsection 58(1) or section 59 or within six months from the date of the Land Administrator’s award under sections 14, 35 or Part VII, whichever period shall first expire.”.

**Amendment of section 40B**

**27.** Subsection 40B(5) of the principal Act is amended by deleting the words “who is not a valuation officer employed by the Government”.

**Amendment of section 43**

**28.** Section 43 of the principal Act is amended—

- (a) by substituting for the words “Form P” the word “writing”; and
- (b) in paragraph (b), by deleting the words “pursuant to section 3”.

**Amendment of section 48**

**29.** Section 48 of the principal Act is amended—

- (a) by substituting for the word “shall” the word “to”; and
- (b) by substituting for the word “eight” the word “five”.

**Amendment of section 49**

**30.** Subsection 49(1) of the principal Act is amended by deleting the words “pursuant to section 3”.

**Amendment of section 51**

**31.** Paragraph 51(1)(c) of the principal Act is amended by deleting the words “made pursuant to any notice under section 10 or 11”.

**Amendment of section 52**

**32.** Section 52 of the principal Act is amended by substituting for the words “mukim or township” the words “town, village or mukim”.

**Amendment of section 53**

**33.** Subsection 53(3) of the principal Act is amended by deleting the words “of any scheduled land”.

**Amendment of section 55**

**34.** Section 55 of the principal Act is amended—

(a) in paragraph (1)(a)—

(i) by deleting the words “in any scheduled land”;  
and

(ii) by deleting the words “pursuant to section 3”;  
and

(b) in subsection (2), by substituting for the words “A certificate under the hand of the State Secretary” the words “Any document”.

**Amendment of section 57**

**35.** The principal Act is amended by substituting for section 57 the following section:

“**57.** (1) Whenever it appears to the State Authority that the temporary occupation or use of any land is needed—

(a) for any purpose specified in subsection 3(1);

(b) in order to carry out public works on any land; or

(c) as indicated in a development plan under the law applicable to it relating to town and country planning,

the State Authority may direct the Land Administrator to procure the occupation or use of any such land for such term as he shall think fit, not exceeding three years from the date of commencement of such occupation or use, in the manner prescribed by this Part.

(2) The Land Administrator or other registering authority shall make a note of any temporary occupation or use of land as specified under paragraphs 9(2)(a) and (b).”.

**Amendment of section 58**

**36.** Section 58 of the principal Act is amended—

(a) in subsection (1), by inserting after the words “shall make such offer of compensation” the words “in Form R”;

(b) by inserting after subsection (2), the following subsection:

“(2A) Prior to making an offer for compensation under subsection (1), the Land Administrator may obtain a written opinion on the value of the land from a valuer.”; and

(c) by inserting after subsection (3) the following subsections:

“(4) In making any assessment of compensation under subsection (3), the Land Administrator may, whether by way of full or partial substitution for monetary compensation, enter into any arrangement with a person having an interest in such land in such a way as may be equitable, having regard to the interests of the parties concerned.

(5) Whenever the Land Administrator enters into any arrangement under subsection (4), he shall make an entry of the particulars thereof in the appropriate register.

(6) All the evidence during the enquiry and the amount of compensation offered shall be recorded by the Land Administrator.

(7) Nothing in this section shall prevent the State Authority to occupy or use the land if the person interested is not agreeable to the compensation offered pursuant to subsection (1).

(8) For the purpose of this section, subsection 14(5) shall be applicable if necessary.”.

**Amendment of section 59**

**37.** Section 59 of the principal Act is amended by inserting after the words “referred to in section 57” the words “, the Land Administrator shall make an enquiry to ensure that”.

**Amendment of section 60**

**38.** Section 60 of the principal Act is amended by substituting for the words “ Where the Land Administrator is unable to agree with the persons interested on the amount of compensation” the words “Where the person interested is unable to agree on the amount of compensation offered by the Land Administrator”.

**Amendment of section 65**

**39.** Section 65 of the principal Act is amended by inserting after the words “pursuant to section 3” the words “or Part VII”.

**Amendment of section 66**

**40.** Section 66 of the principal Act is amended by substituting for the words “a subdivided building, in the person” the words “a subdivided building or land, in the person, statutory body”.

**Amendment of section 69**

**41.** Section 69 of the principal Act is amended—

(a) by inserting after paragraph (b) the following paragraph:

“(ba) prescribe any Form in the Second Schedule in electronic form;” and

(b) in paragraph (d), by substituting for the words “the application for acquisition of land under paragraph 3(1) (b) or (c)” the words “any matter under this Act”.

**Amendment of First Schedule**

**42.** The First Schedule to the principal Act is amended—

- (a) in the heading, by substituting for the words “[Sections 12, 35, 46 and 47]” the words “[Sections 12, 35 and 47]”; and
- (b) in subparagraph (1)(2D), by substituting for the words “within the meaning of section 214A of the National Land Code [*Act 56 of 1965*], the market value shall not in any way be affected by the fact that it can be sold to one person” the words “, the market value of such land shall be determined taking into consideration section 214A of the National Land Code”.

**Saving and transitional**

**43.** All proceedings, actions or other matters required to be done under sections 3F and 28, subsections 37(2) and (3) of the principal Act which are still pending or if already in progress, immediately before the coming into operation of this Act, shall be continued or concluded as if the principal Act had not been amended by this Act.

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**EXPLANATORY STATEMENT**

This Bill seeks to amend the Land Acquisition Act 1960 (“Act 486”).

- 2. *Clause 1* contains the short title and empowers the Minister to appoint a date of coming into operation of the Act and to appoint different dates for the coming into operation of different provisions of the proposed Act.
- 3. *Clause 2* seeks to amend section 2 of Act 486 by introducing a new into Act 486 and expanding the existing definition to clarify the implementation of the acquisition of the subdivided building.
- 4. *Clause 3* seeks to amend paragraph 3(3)(c) of Act 486 to enable preliminary Government or private valuation report to be attached together in the application under paragraph 3(1)(b) or (c) of Act 486.



5. *Clause 4* seeks to amend subparagraph 3c(2)(b)(ii) of Act 486 to substitute the membership in the *Jawatankuasa Khas Pengambilan Tanah* at the Federal Territory level from the Under Secretary of the Federal Territory Development and Klang Valley Planning Division, Prime Minister’s Department to a representative from the Ministry or an agency responsible for the Federal Territories.
6. *Clause 5* seeks to amend section 3F of Act 486 to coordinate the procedures of withdrawal the application of acquisition before publication of the *gazette* under section 8 of Act 486. This proposed amendment will also enable the Land Administrator to forfeit the deposit prescribed in the rules where the applicant withdraws the application under subsection 3F(1) of Act 486 or where the applicant is deemed to have withdrawn the application under subsection 3E(4) of Act 486.
7. *Clause 6* seeks to amend section 7 of Act 486 by introducing a new subsection 7(2) into Act 486 which provides that where the acquisition of part of the land refers to underground land, a plan that describes the extent and depth of the area of the underground land to be acquired must also be prepared by the Land Administrator.
8. *Clause 8* seeks to amend subsection 9(2) of Act 486 to allow acquisition notes to be endorsed on the document of title which involves acquisition of land with subdivided building or land.
9. *Clause 9* seeks to amend subsections 9A(1) and (2) of Act 486 to enable information on the use of land to be obtained from the local planning authority without going through the State Director of the Town and Country Planning. The proposed new subsection 9(5A) is introduced into Act 486 to clarify that the information on land usage should be disregarded if the acquisition is carried out in accordance with section 37 of the Town and Country Planning Act 1976 [Act 172].
10. *Clause 10* seeks to amend section 12 of Act 486 by introducing a new subsection 12(4) into Act 486 to require the Land Administrator to record all the evidence during enquiry.
11. *Clause 11* seeks to amend section 14 of Act 486 by deleting the words “under his hand” to reflect the current method used. The proposed amendment also provides that valuation fee is to be paid as prescribed by rules under this Act.
12. *Clause 12* seeks to introduce a new section 19A into Act 486 which requires the Land Administrator to conduct an enquiry and make an award after the Certificate of Urgency is issued.
13. *Clause 14* seeks to amend subsection 22(3) of Act 486 by introducing a new paragraph 22(3)(c) into Act 486 which requires the Land Administrator to serve a copy of notice in Form K to the relevant parties when it involves acquisition of subdivided building or land.

14. *Clause 16* seeks to amend section 26 of Act 486 by introducing a new subsection 26(4) into Act 486 to enable the Land Administrator or the registering authority to take the necessary action in accordance with the Strata Titles Act 1985 [Act 318] where it involves acquisition of part of the land of a subdivided building or land.

15. *Clause 17* seeks to amend section 28 of Act 486 by introducing a new subsection 28(2) into Act 486 to explain that where there is a difference between the total land area of the acquired land and the scheduled land (that is not less than a quarter hectare or one per cent of the area of the land as published in the *Gazette*), the difference may be awarded without having to publish further the difference under section 8 of Act 486.

16. *Clause 19* seeks to amend section 29A of Act 486 to enable the Land Administrator to pay seventy five per cent of any award or compensation which is over fifteen thousand ringgit while withholding the remaining twenty-five per cent of the award or compensation pending determination by the court. The proposed amendment will also enable the rate of late payment charges to be reduced in accordance with the current rate being used by the court.

17. *Clause 21* seeks to amend subsections 32(1) and (1B) of Act 486 to reduce the rate of late payment charges in accordance with the current rate being used by the court. Subsection 32(1c) of Act 486 is amended to clarify further the meaning of due date.

18. *Clause 22* seeks to amend section 32A of Act 486 by substituting the existing section to reflect the current payment practices.

19. *Clause 23* seeks to streamline procedures relating to the withdrawal of land acquisition under section 35 of Act 486.

20. *Clause 24* seeks to amend subsection 36(4) of Act 486 to enable person interested to make an objection in relation to the compensation made under sections 14, 35 or Part VII to the court in accordance with the procedures provided under this Act.

21. *Clause 25* seeks to amend section 37 of Act 486 to increase the limits of compensation for the purpose of appeals to the court under section 37 and to allow the acquiring agency to make an objection to the court for any purpose of the acquisition. The proposed amendment also seeks to enable the person interested to make an objection on the compensation made under section 35 or Part VII to the court in accordance with the procedures provided under Act 486. For this purpose, any Government, person or corporation that is deemed to be person interested may also make an objection in relation to Part VII.

22. *Clause 26* seeks to amend subsection 38(1) of Act 486 in relation to the requirement to submit a copy of Form N to the court. The proposed amendment also seeks to provide for a time period to enable objection to be made to the court pursuant to the award or compensation made under sections 14, 35 or Part VII.

23. *Clause 27* seeks to amend subsection 40B(5) of Act 486 to allow the government's valuer to receive fee for his service as determined by the court.
24. *Clause 28* seeks to amend section 43 of Act 486 to enable the court to issue notice hearing in writing which requires the appearances of parties specified in paragraphs 43(a) to (d) of Act 486.
25. *Clause 29* seeks to clarify section 48 of Act 486 that the late payment charges are to be paid only if ordered by the court and to reduce the rate of the late payment charges in accordance with the current rate being used by the court.
26. *Clause 30* seeks to amend section 49 of Act 486 to clarify that appeal may be made in relation to the acquisition under section 3 and Part VII of Act 486.
27. *Clause 32* seeks to amend section 52 of Act 486 to use the same terms in the National Land Code.
28. *Clause 35* seeks to amend section 57 of Act 486 to clarify provisions relating to the occupation or the temporary use of land. The proposed amendment also seeks to broaden the factors that allow these provisions to be applicable and the requirement to endorse notes of occupation and temporary use of land on the document of title or other documents stipulated under subparagraphs 57(9)(2)(a) and (b) of Act 486.
29. *Clause 36* seeks to amend section 58 of Act 486 to enable the Land Administrator to obtain the views of the valuers when making an offer for compensation, entering into and record any arrangements for the purpose of substituting the compensation in the financial form, and record evidence during the inquiry. The proposed amendment will also enable the State Authority to temporarily occupy the land although the land owner does not agree with the compensation given.
30. *Clause 37* seeks to amend section 59 of Act 486 to enable enquiry to be conducted by the Land Administrator for the purpose of determining compensation after the expiry of the occupation or use of the land.
31. *Clause 38* seeks to amend section 60 of Act 486 to allow objections by persons interested who are aggrieved with the compensation offered by the Land Administrator.
32. *Clause 41* seeks to amend section 69 of Act 486 to allow rules to be made in respect of any form, fee or deposit to be charged in connection with any matters related in Act 486. The proposed amendment will give general powers to the Minister to make rules pertaining to the matters provided under Act 486.
33. *Clause 42* seeks to amend the First Schedule to Act 486 for coordination purposes and to take into account the requirements of section 214A of the National Land Code in assessing the market value of estate land.

34. *Clause 43* contains saving and transitional provision.
35. Other amendments not specifically dealt with in this Statement are amendments which are minor or consequential in nature.

*FINANCIAL IMPLICATIONS*

This Bill will involve the Government in extra financial expenditure the amount of which cannot at present be ascertained.

[PN(U2)3016]