

SUB-DIVISION OF LAND FOR DEVELOPMENT

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Subdivision is the division of a parcel of land held under one ownership into two or more portions to be held by the same proprietor under separate titles. This is a crucial legal planning procedure that breaking up an alienated land held under a Registry or Land Office title. Land subdivision is the first step in the process of community development. The objectives of subdividing a land include:

1. To gain a profit from selling off part of the land
2. To commercialize the land
3. To develop a town
4. To construct different types of building in certain parcels
5. To distinguish and differentiate each part of the land from the other

The process of subdividing land needs the approval of State Authorities or Land Administrator (according to the title of the land). As stated in the National Land Code, approval of subdivision of land demands: -

- An environment free from restriction in interest to which the land is subject
- A situation unopposed to any written law in force
- Obtaining any necessary approval of planning authority and State Authority for the development area
- No outstanding item of land revenue
- Suitable shape of subdivision portion for its intended purpose
- If the land is subjects to the category “agriculture”, the area of the sub-divisional portion will not be less than 1 acre.
- A suitable means of access to be had as of right from such portions of a road, river, a part of the foreshore or a railway station, or to a position within the land from which such a means of access is available.

Under the New Economic Policy (NEP), the Bumiputera Lot Quota Regulation was introduced to increase Bumiputera shares in real estate up to at least 30%. According to Malaysian law, State Authorities are given full control over land matters and as such, Bumi Quota regulations fall under the State Government’s jurisdiction. In Johor, the subdivision

application for all residential, commercial and industrial development will require the allocation of 40% of the overall sub-divisional units to Bumiputera. The allocation of bumi lots is compulsory for subdivision application of 4 lots and above.

For the application of land subdivision, a certified Land Surveyor is typically necessary to get ready the plan for the sub-division and other details needed for the planning subdivision program and for the documentation procedure under National Land Code. The proprietor will need to prepare some relevant documents for the purpose of file registration at the Registry office (if the land held under Registry title) or Land Office (if the land held under Land office title). Applications for the subdivision will be registered with the Administrative and Diplomatic Service Association (PPTD) where all the documents and plans of the proposed subdivision will be registered to the units involved for the registration, evaluation and approval process. The applicants is required to submit all relevant documents to One-Stop-Centre (OSC) of the respective district council and OSC will circular the documents and plans involved to other relevant units for the registration process, evaluation, technical views, and approval.

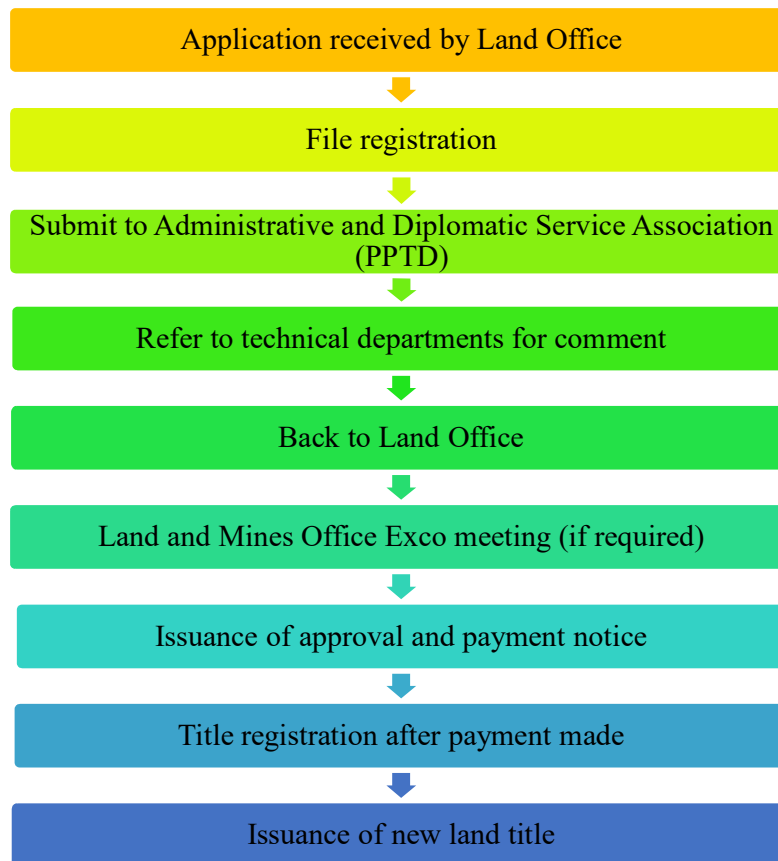


Figure 1: Flow Chart for Land Subdivision Application

Application for land sub-division in Malaysia must be submitted in writing to the Land Administrator or State Authorities, with prescribed fee, a plan which includes details of sub-division and consent from other authority such as the person having an interest in the land.

Fees

Throughout the subdivision procedure, there are a variety of charges needed. Fees consist of, but are not restricted to:

- Fees for subdivision application
- Professional fees for land title survey
- Fees for title registration
- Fees for plans
- First-year quit rent payable

Documents Required for Land Subdivision:

For individual application, the documents required as follows:

- Certified copy of the land title
- Copy of quit rent receipt for current year
- Appointment letter of Licensed land surveyor from Land Surveyor Board
- Authorized letter from every person or body having a registered interest in the land
- Contact details of the applicant
- Copy of authorization letter from planning authority
- Site plan
- Location plan

For company application, the additional documents are required to be prepared:

- Company resolution
- Memorandum and articles of the company
- List of Board of Directors
- Statement of share distribution

The legislative development procedure of land subdivision is based on well documented and easily comprehensible legislations of the National Land Code and the State Land Rules. The total duration of application varies from 18 to 24 months. It may be worth considering professional guidance and support in working with a variety of rules and specifications of regional local authorities and to expedite the process of application.

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Reference

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2. Bupalan,G. (2017). Understanding the four fundamental bumi attributes in M'sian property. *The Malaysian Reserve*. Retrieved on 25th March 2020 from <https://themalaysianreserve.com/2017/05/24/understanding-the-four-fundamental-bumi-attributes-in-malaysian-property/>.