

Part Four – Funding and Financial Policies

POLICY FOR REMISSION AND POSTPONEMENT OF RATES ON MAORI FREEHOLD LAND

INTRODUCTION

Maori freehold land is defined in the Local Government (Rating) Act 2002 as land whose beneficial ownership has been determined by a freehold order issued by the Maori Land Court. Only land that is the subject of such an order may qualify for remission or postponement under this policy. Whether rates are remitted or postponed in any individual case will depend on the individual circumstances of each application. In general a remission of rates will be considered, unless there is a reasonable likelihood that the subject land will be used or developed in the immediate future. This policy has been formulated for the purposes of:

- ensuring the fair and equitable collection of rates from all sectors of the community by recognising that certain Maori owned lands have particular conditions features, ownership structures, or other circumstances that make it appropriate to provide relief from rates
- meeting the requirements of Sections 102 and 108 and the matters in Schedule 11 of the Local Government Act 2002 to have a policy on the remission and postponement of rates on Maori freehold land.

OBJECTIVES

The objectives of this policy are:

- to recognise situations where there is no occupier or person gaining an economic or financial benefit from the land
- to set aside land that is better set aside for non-use because of its natural features (whenua rahui)
- to recognise matters related to the physical accessibility of the land
- to recognise and take account of the presence of waahi tapu that may affect the use of the land for other purposes
- where part only of a block is occupied, to grant remission for the portion of land not occupied

- to facilitate development or use of the land where Council considers rates based on the rateable value make the use of the land uneconomic.

CONDITIONS AND CRITERIA

- Application for this remission or postponement should be made prior to commencement of the rating year. Applications made after the commencement of the rating year may be accepted at the discretion of Council.
- Owners or trustees making application should include the following information in their applications:
 - details of the rating unit or units involved
 - the objectives that will be achieved by providing a remission
 - documentation that shows the land which is the subject of the application is Maori freehold land.
- Council may of its own volition investigate and grant remission or postponement of rates on any Maori freehold land in the district.
- Relief, and the extent thereof, is at the sole discretion of Council and may be cancelled or reduced at any time.
- Council may give a remission or postponement of up to 100% of all rates, except targeted rates set for water supply or wastewater disposal, based on the following criteria:
 - the land is unoccupied and no income is derived from the use or occupation of that land, or
 - the land is better set aside for non-use (whenua rahui) because of its natural features, or is unoccupied, and no income is derived from the use or occupation of that land,
 - the land is inaccessible and is unoccupied,
 - only a portion of the land is occupied.
 - the property carries a best potential use value that is significantly in excess of the economic value arising from its actual use.
 - the property is not used for residential purposes, and its value is significantly less than the value assessed by Valuation New Zealand

Delegations

Council will delegate authority to consider and approve applications to Council

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officers.

EARLY PAYMENT DISCOUNT

Objective of the Policy

To encourage ratepayers to pay their rates early and in one sum to minimise processing costs and improve cash flow.

Conditions and Criteria

A discount of a percentage to be specified by Council resolution will be applied to the current rates in all cases where ratepayers pay their rates on or before a date specified by Council resolution, being not later than the due date of instalment 1.

In order to qualify for this discount, a ratepayer must have paid their rates in full, including any arrears and penalties from prior years and penalties from the current rating year.

The discount percentage and date referred to in 1 above will be specified annually by the Council and will be included in the resolution required to set the rates under section 23 of the Local Government (Rating) Act 2002.

The discount to be specified under clause 4 will be set so as to be neutral on Council's cash flows.