

## Part Four – Funding and Financial Policies

# POLICY FOR REMISSION OF RATES ON RURAL LAND

## INTRODUCTION

Where rural land has a valuation in excess of its economic use ( i. e. where it is valued based on its coastal value, but used for grazing purposes) application can be made for a remission of rates.

Alternatively, where multiple rating assessments in addition to a house block are used for grazing purposes, application can be made to have all subject assessments valued as if they were one contiguous farm property.

The house block valuation will not be changed. All other assessments will be valued as grazing land with consideration of cover and contour. No site value or subdivision potential will be included in these valuations. For rating purposes they will be valued on exactly the same basis as stand alone farms in the immediate vicinity of the assessments submitted for remission.

Whether rates are remitted in any individual case will depend on the 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.

## OBJECTIVES

The objectives of this policy are:

- Recognizing special circumstances pertaining to coastal rural land used for grazing purposes.
- Recognizing special circumstances pertaining to situations where multiple rural properties are effectively used as one farm property.
- Meeting the requirements of section 85 of the Local Authority (Rating) Act 2002, to have a policy on the remission of rates.

## CONDITIONS AND CRITERIA

- Application for this remission 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 rural land.
  - Details of tenure, whether a formal or informal lease, and whether owned by applicant.
  - A signed statement by the applicant that the land is used for grazing purposes only.
- Council may of its own volition investigate and grant remission of rates on any rural land in the district, which may qualify for remission of rates.
- 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 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 officers.