



COUNCIL POLICY

POLICY TITLE: REMISSION AND POSTPONEMENT OF RATES ON MAORI FREEHOLD LAND

Minute Ref: M18/56

Date of Adoption 28 June 2018

1. POLICY OBJECTIVES

- To enable Council to acknowledge the special circumstances where there is no occupier or person gaining an economic or financial benefit from the land.
- To provide relief for land that is appropriately set aside for non-use due to its natural features.
- To provide relief where the land may be physically inaccessible.
- To recognise and take account of the presence of waahi tapu that may affect the use of the land for other purposes.
- To grant remission for the portion of unoccupied land where a block of land is partially occupied.
- To facilitate the development and use of the land for economic use where Council considers utilisation would be uneconomic if full rates are required during the years of development.

2. PRINCIPLES

The overarching principles identified in the Revenue and Financing policy apply.

Under Section 91 of the Local Government (Rating) Act 2002, Maori freehold land is liable for rates in the same manner as if it were general land.

Council and the community benefit through the efficient collection of rates that are properly payable and the removal of rating debt that is considered non collectible.

3. DEFINITIONS

General Rate is the rate that the local authority sets for the general purposes of the local authority.

Maori Freehold Land is land which has beneficial ownership that has been determined by a Freehold Order issued by the Maori Land Court.

Occupied land is land used as a place of residence, or occupied for a period of time exceeding six months in a calendar year.

Ratepayer means the person or persons identified in the rating information database as the person who is liable for rates – generally that person is the owner of the rating unit.

Rating Unit is defined in the Rating Valuations Act 1998. It is the block of land which attracts the liability for rates. The main criteria is the existence of a separate certificate of title.

Remission is the requirement to pay the rate for a particular financial year is forgiven.

Residential means the use of land and buildings for domestic or related purposes.

Services Charges are a targeted rate specifically relating to the provision of water and waste water services to a rating unit.

Unutilised Land is land that has not been developed from its natural state and not generating revenue and not used in any way, other than for the purposes of vegetation control

Waahi Tapu means the place sacred to Maori in the traditional, spiritual, religious, historical, or mythological sense. Those places defined as 'waahi tapu' vary from hapu to hapu.

4. POLICY STATEMENT

In determining this policy, Council has considered the matters set out in Schedule 11 of the Local Government Act 2002.

4.1 Rates Remission

Tauranga City Council will assess all Maori freehold land on an annual basis to determine the eligibility of rates remission using the below criteria.

Remissions will also be considered on receipt of a remission application, to ensure an opportunity for specific properties to be considered on a case-by-case basis exists.

Applications for remission must be in respect of Maori freehold land.

Applications for remission are to specify:

- the number of owners on the land; and
- the physical location of the land; and
- the nature and extent of any Waahi Tapu and the impact of that Waahi Tapu on land development and usage; and
- the amount of income being derived from the block; and
- whether the land is occupied and to what extent it is occupied; and
- whether the block of land is connected to council services e.g. water and sewerage; and
- whether there are any potential development options for the block of land.

Consideration of the above will determine whether a remission will apply.

4.2 Level of Remission

Occupied Properties

The level of remission will be negotiated with an owner or occupier according to the benefits of occupation, having regard to equity with charges made to other ratepayers. No remission will be applied to Uniform Annual General Charges on occupied land.

Unoccupied Properties with Multiple Owners

Where the land is unoccupied, unutilised, not suitable for occupation and ownership is fragmented so that any form of collection action is impractical, then full or partial remission may be granted to both General rates and Uniform Annual General Charges.

Partitions for Building Sites Subject to Te Ture Whenua Maori Act 1993

Rates may be remitted on vacant Maori freehold land which has been partitioned under Te Ture Whenua Maori Act 1993 and the land has two or less owners.

4.3 Postponement of Rates

A postponement of rates will be considered on receipt of an application and where land is:

- unoccupied: and
- has no service connection: and
- has the potential for development

When an application to postpone rates has been approved, a formal postponement agreement will be entered into by both the ratepayer and Council and will:

- state the amount of postponement; and
- state the timeframe or conditions upon which the postponed rates will become due and payable; and
- acknowledge that the postponed rates will be registered as a charge against the land; and
- be signed by both parties.

The postponed rates or any part thereof may be paid at any time. The ratepayer may elect to postpone the payment of a sum lesser than that which the ratepayer would be entitled to have postponed under this policy.

5. RELEVANT DELEGATIONS

The following officer, and all of the officers in a direct line of authority above them, including the General Manager of their division, are delegated the authority to make decisions as to whether and how this policy applies (and therefore rates are postponed or remitted), including the exercise of any Council discretion provided for in the policy, and to sign on behalf of Council the postponement agreements.

Manager: Revenue

Revenue Collections Specialist

Any officer who performs or exercises the same or substantially similar role or function as to the officers above, whatever the name or his or her position.

6. REFERENCES AND RELEVANT LEGISLATION

Local Government (Rating) Act 2002 (Section 87).

Local Government Act 2002 (Section 108, Schedule 11).