



## Policy – Rates Remission and Postponement

Under the Local Government (Rating) Act 2002, the Council may adopt policies to provide rates relief, using rates remissions and/or postponements. Council has developed proposed policies for rates relief drawing on the principles that rate relief policies should be:

- effective in promoting the achievement of Environment Southland’s strategic outcomes;
- fair and equitable, considering individual circumstances;
- cost effective and minimise transaction costs;
- generically applied to categories of rating units;
- clear in their application;
- administered in an open and transparent manner;
- regularly reviewed (at least once every six years, as from 2010) .

### 1. Contents

1. Contents
2. Remission of rates on land protected for natural, historic or cultural conservation purposes
  - 2.1 Objective
  - 2.2 Application
  - 2.3 Criteria
  - 2.4 Procedure
3. Postponement
4. Remission of Rates on Māori Land
5. Remission for Licensed Halls owned by General Clubs or Societies
  - 5.1 Objective
  - 5.2 Application
  - 5.3 Criteria
6. Remission for Sports Associations without a Liquor Licence
  - 6.1 Objective
  - 6.2 Application
  - 6.3 Criteria
7. Remission of Penalties
  - 7.1 Objective
  - 7.2 Application
  - 7.3 Criteria List
8. Uniform Annual General Charges and In-common Ownership

Policy No.	Policy Sponsor	Approval Date and Date of Next Scheduled Review	Approved By	MORF Reference	Related Standards
B5.3	Executive	<b>Approved</b> – 23-24 July 2003 <b>Reviewed</b> – 22 March 2006 <b>Reviewed</b> – 4 February 2015 <b>Reviewed</b> – 13 December 2017 <b>Reviewed</b> – 28 March 2018	Council	A33382	-

## 2. Remission of rates on land protected for natural, historic, or cultural conservation purposes

This policy is prepared under Sections 109 and 110 of the Local Government Act 2002.

### *Objective*

To be an incentive for private landowners to enter into land protection covenants or similar protective agreements.

### *Application*

The ratepayer (or authorised agent) must apply in writing to the Council for a remission of rates and should supply documentary evidence of the protected status of all or part of the rating unit.

### *Criteria*

Council officers have delegated authority to remit 100% of rates on those portions of land which qualify under the following enactments:

- an open space covenant under Section 22 of the Queen Elizabeth the Second National Trust Act 1977;
- a heritage covenant under Sections 39 to 41 of the Heritage New Zealand Pouhere Taonga Act 2014;
- a conservation covenant under Section 77 of the Reserves Act 1977;
- Nga Whenua Rahui kawenata under Section 77A of the Reserves Act 1977;
- a declaration of protected private land under Section 76 of the Reserves Act 1977;
- a management agreement for conservation purposes under Section 38 of the Reserves Act 1977;
- a covenant for conservation purposes under Section 27 of the Conservation Act 1987;
- Nga Whenua Rahui kawenata under Section 27A of the Conservation Act 1987;
- a management agreement for conservation purposes under Section 29 of the Conservation Act 1987;
- a Maori reservation for natural, historic, or cultural conservation purposes under Sections 338 to 341 of the Te Ture Whenua Maori Act 1993 (Maori Land Act 1993) (1993 No 4); or
- land classified under the Reserves Act 1977 as an historic reserve, a nature reserve, a recreation reserve, a scenic reserve, a scientific reserve, a Government purpose reserve or any other type of reserve within the meaning of the Reserves Act 1977, any land being managed pursuant to Sections 61 and 62 of the Conservation Act 1987 and any lands of the Crown that comprise a wildlife management reserve, wildlife reserve or wildlife sanctuary within the meaning of the Wildlife Act 1953.

### *2.4 Procedure*

The Director of Corporate Services will obtain from a Registered Valuer the proportion of a rating unit that qualifies for remission either through adjusting the rateable capital value, land value, or land area of a property as is appropriate.

The proportion shall be assessed by considering the following factors:

1. the proportion of the property covenanted;
2. the components of value making up the overall value of the property;
3. the management of the property covenanted;
4. the way the property is occupied whether residential or non-residential.

### **3. Postponement of Rates**

Council does not operate a policy which allows for the postponement of rates.

### **4. Remission of Rates on Maori Land**

Council recognises that most of the Maori land is located in remote areas, is covered in natural bush, and is indigenous to the catchments in which it is located. Maori freehold land is excluded from this policy—see separate policy.

Council's policy is that where the owner(s) or occupier(s) of Maori land cannot be located the Director of Corporate Services is authorised to write off any rates assessed on the land.

### **5. Remission for Licensed Halls owned by General Clubs or Societies**

This policy is prepared under Section 8 of the Local Government (Rating) Act 2002.

#### **5.1 Objective**

Under Schedule 1 of the Act, council-owned halls are 100% non-rateable. There are a variety of organisations which have halls or properties which are used and operated in a similar vein to those owned by councils in that they provide a benefit to the community (e.g. scouts, guides, private museums).

#### **5.2 Application**

The ratepayer (or authorised agent) must apply to the Council for a remission of rates.

#### **5.3 Criteria**

The Director of Corporate Services has the delegated authority to remit rates under this section, using the criteria set out below.

Land owned by a ratepayer, other than a Council, and used in a non-profit fashion as a public hall, library, museum, art gallery or other similar institution shall be entitled to a 100% remission on all rates payable.

### **6. Remission for Sports Associations without a liquor licence**

This policy is prepared under Section 8 of the Local Government (Rating) Act 2002.

#### **6.1 Objective**

Under Schedule 1 of the Act, land owned by sporting associations (except horse or greyhound racing) are eligible for a mandatory 50% remission of rates unless they have a liquor licence, in which case no remission is allowed. Council policy is to allow a 100% rates remission to sporting associations (except racing) which do not hold a liquor licence.

#### **6.2 Application**

The ratepayer (or authorised agent) must apply to the Council for a remission of rates.

#### **6.3 Criteria**

The Director of Corporate Services shall have the delegated authority to apply 100% remission of rates to sporting associations who do not have a liquor licence.

### **7. Remission of Penalties**

This policy is prepared under Section 109 of the Local Government Act 2002.

### **7.1 Objective**

The objective of this remission policy is to promote fairness in the imposition of penalties, by providing for their remission where late payment of rates resulted from circumstances outside the ratepayer's control, and where it is just and equitable to do so.

### **7.2 Application**

The ratepayer (or authorised agent) must apply to the Council for a remission of penalties.

### **7.3 Criteria**

Council officers will be delegated authority to consider applications for remission of penalties, as specified in the Council's delegations' manual, and may approve or decline them in accordance with the criteria set out below.

That where, in the opinion of the Director of Corporate Services, the delay is attributable to:

- incorrect information on the rate rolls;
- non-receipt of the rate assessment/invoice before the penalty is incurred (on one occasion only)

the Director (Corporate Services) or the Manager (Finance) are authorised to write off the penalty on rates provided a list is submitted to the Council at least once a year showing amounts written off under this authority.

The Director (Corporate Services) or the Manager (Finance) are authorised at their discretion to enter into arrangements with ratepayers to ensure that rates are paid. This recognises that various situations and circumstances may arise that may affect the ratepayer's ability to immediately pay the rate amount. In these circumstances, the Director (Corporate Services) or the Manager (Finance) also has the discretion to remit any late payment penalty.

## **8. Uniform Annual General Charges and in common ownership**

Where two or more rating units are owned by the same person or persons, are used jointly as a single unit and are contiguous or separated only by a road, railway, drain, water race, river or stream, only one Uniform Annual General Charge will be assessed.

Council will endeavour to identify qualifying properties prior to the rates being set, but if landowners consider they qualify they may apply to the Council for an adjustment to their Uniform Annual General Charge.