



17 November 2014

Official Information Request No. 9000132304
(Please quote this in any correspondence)

Ms Grace Haden

By email: fyi-request-2125-8b0ecc87@requests.fyi.org.nz

Dear Ms Haden

Local Government Official Information and Meetings Act 1987

Re: Rating Act compliance

I refer to your email, which we received on 23 October 2014, requesting information about Rating Act compliance.

You have asked that the Council respond to the following:

1. Please advise where on the rates assessment notice is the penalty regime set out.
2. Please provide copies of the resolutions which authorize the addition of penalties to rates for each year 2006 until 2014 (being for Auckland City Council in the years prior to 2010).
3. For each of the above resolutions, please advise when it was made, who by and where a publicly viewable copy could be located.
4. It would appear that penalties are also applied to the GST portion of the rates. Please provide a copy of the authority by which penalties can be charged on GST.
5. How many rate payers incurred penalties after the 29 August 2014 instalment date.

In answer to point 1, I note that all information required to be provided to ratepayers under the Local Government (Rating) Act 2002 (**LGRA**) is sent in a package of materials to each individual ratepayer.

From the 2009/2010 year onwards, within that package under the heading "Pay on time to avoid penalties", it states "*it pays to pay your rates on time, as you will be charged a 10 per cent penalty on any part of your current instalment that is overdue. You will also be charged a 10 per cent penalty on any part of your rates (and penalties from previous years) that have not been paid by 5 July, and again by 5 January, of the current financial year. Any payments that you make towards your rates will be credited towards the oldest amount due first.*"

On the front of the invoice page, the precise amount of penalties which will be incurred after a certain date is set out.

In relation to points 2 and 3 and resolutions since 1 November 2010, this request is refused under section 17(d) of the Local Government Official Information and Meetings Act 1987 on

the grounds that all resolutions of the Auckland Council's Governing Body are publicly available on the Council's Website. The minutes of meetings containing the relevant resolutions of the Auckland City Council for the years 2006 to 2010 are provided as attachments to this letter.

As regards point 4, the authority by which penalties can be charged on GST in relation to rates is through the following:

- The Council by resolution sets its rates at a level which takes into account the GST which it will need to pay to the Inland Revenue Department.
- The amount referred to on rates assessments/invoices as "Total Rates for year (GST inclusive)" is all "rates" for the purposes of the Rating Act and those "rates" take into account the GST that the Council will have to pay to the IRD.
- Section 57 of the Local Government (Rating) Act 2002 provides that penalties may be added to "rates that are not paid by the due date".

In answer to point 5, 56,484 properties had the first instalment penalty applied.

Should you believe Auckland Council has not responded appropriately to your request, you have the right by way of complaint, under section 27(3) of the LGOIMA, to apply to the Ombudsmen to seek an investigation and review of the decision.

If you have any further queries please contact me on 09 301 0101, quoting Official Information Request No. 9000132304.

Yours sincerely



James Stephens
Information Advisor
AKLC Electoral Office/Public Info Unit

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