



Policy - Rates Remission and Postponement - including Rates Remission and Postponement for Māori Freehold Land

Kaupapahere Murua me Whakatārewa

The Local Government Act 2002 provides that the Council may adopt rates remissions and/or postponements policies. Council has developed 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;
- just and equitable, considering individual circumstances;
- cost effective, transparent and easy for the ratepayer to apply;

1. Contents

1. Contents
2. Overall remissions and postponement policy conditions and criteria
3. Remission of rates on land protected for natural, historic or cultural conservation purposes
4. Remission for halls owned by clubs or societies
5. Remission for sports associations without a liquor licence
6. Remission of penalties
7. Postponement Policy
8. Policy – Rates Remission and Postponement on Māori Freehold Land

Payment arrangements

Council can enter a payment arrangement at any time. This may be more suitable than a remission.

Payment arrangements allow ratepayers catchup on rates. Ratepayers unable to pay a full instalment or have arrears should contact Council rates staff and see if a payment arrangement is appropriate. Arrangement can include a remission under this policy if the arrangement is honoured.

Policy No.	Policy Sponsor	Approval Date and Date of Next Scheduled Review	Approved By	MORF Reference	Related Standards
B5.4	Executive	Approved – 23-24 July 2003 Reviewed – 22 March 2006 Reviewed – 4 February 2015 Reviewed – 13 December 2017 Reviewed – 28 March 2018 Reviewed – April 2021 Approved – 30 July 2021	Council	A33382	Delegations Manual (S.4.2.5)

2. Overall remissions and postponement policy conditions and criteria

1. Rate remissions are deducted from the rates account of the property on which the remission is granted. Remissions are not paid in cash to the ratepayer. Multi-year remissions are deducted from the rates assessment when the rates are assessed.
2. All applications must be made in writing by the ratepayer or their authorised agent and provide supporting information to Council's satisfaction to support consideration of the remission.
3. All personal information provided to Council will be treated as confidential.
4. All application will be considered on their individual merits and on a case-by-case basis.
5. All policies apply to Māori freehold land unless stated otherwise.
6. Changes of circumstance should be advised to Council. Should Council become aware of any change Council may undertake an investigation and will review the validity of any remission or postponement. You will be advised of the review and its outcome.

3. Remission for Halls owned by clubs or societies

Objective

To support communities by providing rates remissions, so that rates are the same as if it were used by a council, to 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).

Remission Period

Indefinitely – so long as the hall ownership is unchanged and remains available to the community.

Remission Value

100% of rates.

Conditions and Criteria

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.

4. Remission for sports associations without a liquor licence

Objective

To support the community by remitting rates on land owned by sports associations operating without a liquor licence.

Remission Period

Indefinitely – so long as the land ownership is unchanged and the land is used for sport or other recreational and non-commercial purpose.

Remission Value

50% of rates.

Conditions and Criteria

1. The land must be owned by the sports association (note land owned or used by a local authority is non-rateable).
2. The land must not be used for galloping, harness or greyhound racing.
3. The land must not hold any area subject to a liquor licence.

5. Remission of penalties

Objective

To be just and equitable in the imposition of penalties, by providing for remissions where late payment of rates resulted from circumstances affecting the ratepayer's ability to pay on time.

Remission Period

Current instalment only.

Remission Value

Up to 100% of penalties.

Conditions and Criteria

1. The applicant has a good record of on-time payments of all rate instalments and:
 - (a) the ratepayer suffered due to a significant family disruption such as death, illness, accident of a family member or other 'one-off' event; or
 - (b) the property was recently sold and the settlement date coincided with or was near the penalty dates; or
 - (c) the rate assessment/invoice was not received before the penalty is incurred (on one occasion only); or
 - (d) other reason for which it would be just and equitable to remit all or part of the penalty.
2. Where a ratepayer has been in default for greater than one year and has current and arrears penalties (greater than one year) the arrears penalties may be written-off as part of the settlement arrangements for the collection of all outstanding rates and an arrangement for the on-time payment of future rates.
3. The penalty remission only applies when the instalment has been paid, a direct debit authority lodged or the ratepayer enters a payment arrangement to pay overdue rates within a specified timeframe (up to one year).
4. Under an arrangement (including direct debit), penalties may not be applied while those arrangements are honoured.

6. Postponement for foreseen circumstances

Objective

To assist ratepayers experiencing financial circumstances and/or adversely impacted by natural disaster or other calamity (as determined by Council) which directly affects their ability to pay rates.

Remission Period

Up to three years – at the discretion of Council.

Remission Value

Up to 100% of rates.

General Conditions and Criteria

1. Council must be satisfied that the ratepayer does not have financial capacity to pay their rates instalment when demanded or the payment of the rates instalment would create financial hardship for the ratepayer.
2. The land has become unusable or uneconomic because of severe erosion, land formation changes such as slips, natural disaster or calamity and directly as a result of this exceptional circumstances the ratepayer's ability to pay the rates is severely and temporarily impeded.
3. Evidence of financial circumstances must be submitted, along with advice from an approved budget advisor, lawyer or chartered accountant.
4. In the case of widespread events such as pandemic or natural disaster Council will decide on the level of response it is able to make.
5. The postponement will be made by way of a payment arrangement (for a period up to three years) that ensures future rates are able to be paid.
6. Where an arrangement is in place, (including direct debit), penalties will not be applied while those arrangements are honoured. Failure to meet the payment arrangement could result in the removal of postponement and penalties will then be charged.

Policy – Rates Remission and Postponement on Māori Freehold Land

This policy on Remission of Rates on Māori Freehold Land is prepared under [Section 108](#) and [Schedule 11 of the Local Government Act 2002](#).

This policy recognising the principles of Schedule 11 and to implement remissions or postponement policy in support of those principles.

1. Objectives

The objectives are set out in Schedule 11 and the policies support these objectives.

2. Māori freehold land - nature of the land remission

Remission Period

Indefinitely – so long as the land still qualifies under the policy.

Remission Value

Up to 100% of rates.

Conditions and Criteria

Rates may be remitted on land that meets any of the following criteria:

1. the land is occupied, and no income is derived from the use or occupation of that land;
2. the land is better set aside for non-use (whenua rāhui) because of its natural or cultural features or is unoccupied, and no income is derived from the use or occupation of that land;
3. the land is inaccessible and is unoccupied;
4. only a portion of the land is occupied;

5. other purposes.

The extent of relief is at the sole discretion of the Council and may be cancelled or reduced at any time.

Examples of “other purposes” are remissions on dwellings and commercial zones, contiguous (not in same ownership but in common usage, and rating units that are used for residential purposes that include separately inhabited part occupied by dependant family members.

Owners or trustees making application should include the following information in their applications:

- (a) details of the property;
- (b) the objectives that will be achieved by providing the remission;
- (c) documentation that proves the land that is the subject of the application is Māori freehold land.

3. Māori freehold land - economic incentives remissions

Remission Period

Up to five years at the discretion of Council.

Remission Value

Up to 100% of rates.

Conditions and Criteria

1. To support Māori landowners who wish to develop previously unused or unoccupied land for economic use which could lead to future financial returns for the owners, economic development of the region and the payment of rates.
2. The land must be used or occupied whether by the owner or a third party.
3. The land use considered under this policy will also include carbon farming, carbon sequestration and apiculture activities.
4. The rating unit or apportionments of the rating units have been unused or unoccupied for the two previous financial years.
5. A remission application must be made in writing.
6. Eligibility for this remission will be reviewed once the remission period expires. The Council may provide rates remission for other purposes if these remissions ensure ratepayers are treated equitably by the Council.

4. Māori freehold land postponement policy

Council has no specific policy for postponement of rates on Māori freehold land, however, where it is just and equitable a postponement as a payment arrangement may be agreed.