

Draft policies on the Remission and Postponement of Rates on Māori Freehold Land pertaining to the Kaipara and Whangārei Districts 2022/23

July 2022

Kaipara District

Māori Freehold Land Rates Postponement and Remission Policy

1. Legislative requirements

1.1 Section 102(2) of the Local Government Act 2002 (LGA) provides that a Council must adopt a policy on the postponement and remission of rates on Māori freehold land (the Policy).

2. Objective

2.1 The purpose of this Policy is to ensure the fair and equitable collection of rates from all sectors of the community, while recognising that Māori freehold land has particular conditions and ownership structures, which may make it appropriate to provide relief from rates in circumstances beyond what it already provided by legislation.

2.2 In determining this Policy, Council has considered the matters set out in schedule 11 of the LGA and how it supports the principles set out in the Preamble to Te Ture Whenua Maori Act 1993.

3. Policy

3.1 Council may remit some or all of the rates on a rating unit of Māori freehold land where it considers it just and equitable to do so because:

- a. There are special circumstances in relation to the rating unit, or the incidence of rates (or a particular rate) assessed for the rating unit which mean that the rating unit's rates are disproportionate to those assessed for comparable rating units.
- b. The circumstances of the rating unit or ratepayer are comparable to those where a remission or non-rateability would be granted under the Local Government (Rating) Act 2002, but the circumstances are such that the land does not qualify.
- c. There are exceptional circumstances such that the Council believes it is equitable to remit rates.

4. Criteria

4.1 Application for land to be granted remission of rates in accordance with this Policy must be made by the owners or trustees, or any person(s) who has gained a right to occupy through the Māori Land Courts and is the authorised occupier(s).

4.2 The land is Māori freehold land as defined in the Local Government (Rating) Act 2002.

5. Applications

5.1 Applications for remissions under this Policy must be made in writing, and must include the following information:

- a. the details of the property for which the application for remission is being made
- b. an explanation of why the applicant considers the circumstances of the application meet the Objective (Clause 2) of this Policy
- c. an explanation of how the matters under Clause 3 of this Policy applies to the circumstances of the application
- d. documentation that proves the land which is the subject of the application is Māori freehold land, as defined above.

6. Relevant legislation

6.1 Legislation relevant to this Policy includes, but is not limited to:

- a. Local Government Act 2002 (LGA)
- b. Local Government (Rating of Whenua Māori) Amendment Act 2021
- c. Te Ture Whenua Māori Act 1993
- d. Local Government (Rating) Act 2002

6.2 This Policy is adopted in accordance with the requirements of sections 102(1) and 108 of the LGA. Under section 108(4A) of the LGA this Policy is required to be reviewed at least once every 6 years using a consultation process that gives effect to the requirements of section 82 of the LGA

7. Rates postponement

This policy does not provide for the postponement of the requirement to pay rates.

Whangārei District

Policy 22/114 Remission of Rates on Māori Freehold Land

Objectives of the Policy

Some Māori freehold land in the Whangārei District is unoccupied and unproductive. This land creates a significant rating burden on the Māori owners who often do not have the ability or desire to make economic use of the land. Often this is due to the nature of the ownership or it is isolated and marginal in quality.

The objective of the policy is:

- To recognise situations where there is no occupier or no economic or financial benefit is derived from the land.
- Where part only of a block is occupied or used, to grant remission for the portion of land not occupied or used.
- To encourage owners or trustees to use or develop the land.
- Where the owners cannot be found, to take into account the statutory limitation of time for the recovery of unpaid rates.
- Any other matter in accordance with schedule 11 of the Local Government Act 2002.

Criteria and conditions

1. The land must be Māori freehold land (as defined in the Local Government (Rating) Act 2002) or the land is general land that ceased to be Māori land under Part 1 of the Maori Affairs Amendment Act 1967 which does not produce any income.

2. The land or portion of the land must not be “used”. This includes leasing the land, residing on the land, maintaining livestock on the land, growing exotic forest for future harvesting, using the land for storage or in any other way. Land that is maintained to reduce fire risk, or land that is unfenced and grazed by wandering stock for no income by the owners is not “used”.

3. In order to encourage the development of the land, the rating unit may be apportioned into used and non-used portions and the rates will be remitted on the percentage of non-used land. Any “used” dwellings (occupied dwellings) or activities using the land for commercial or agricultural purposes will be rated the general and targeted rates per separately used or inhabited parts of a rating unit.

4. To be considered for rates remission under this policy, the owner, occupier or ratepayer must apply for rates remission under this policy, provide information in the prescribed form on how the

relevant criteria and conditions are satisfied and complete relevant statutory declarations as may be required by Council.

5. However, if the owners of an unoccupied block cannot be found, the Council may apply a remission without the need for a request.

6. If the circumstances of a ratepayer who has been granted a remission under this policy changes, the ratepayer must inform Council within 30 days. The change in circumstances may mean that the rating unit or part of the rating unit, is no longer eligible for a remission under this policy in future rating years.

7. All land identified under this policy for remission, will be reviewed triennially.

Delegations

Decisions on remission of rates under this policy will be delegated to officers as set out in Council’s delegation manual.

Policy 22/115 Postponement of Rates on Māori Freehold Land

Objectives of the Policy

The difficulty in establishing and contacting owners or occupiers of Māori land means that there are often rate arrears when ownership or use is finally established. Also new occupiers or owners may wish to use the land but are reluctant to take on the outstanding rate arrears.

In order to facilitate and encourage the use of the land, the arrears may be postponed if the current rates are met.

Council wishes to encourage the development and use of Māori freehold land where Council considers the full payment of the rate arrears would be a disincentive.

Conditions and Criteria

Council will postpone rates in accordance with the policy where the application meets the

following criteria:

1. The land must be Māori freehold land, as defined in the Local Government (Rating) Act 2002 or the land is general land that ceased to be Māori land under Part 1 of the Maori Affairs Amendment Act 1967.
2. The owners, occupiers or ratepayers has applied for rates postponement under this policy and provided information in the prescribed form on how the relevant criteria and conditions are satisfied and has completed relevant statutory declarations as may be required by Council.
3. The owners, occupiers or ratepayers agree payment conditions with Council to pay current and future years' rates.
4. The rates will remain as a statutory charge against the property until they are written off no later than six years from the date they were assessed.

Delegations

Decisions on postponement of rates under this policy will be delegated to officers as set out in Council's delegation manual.

