

## **P21-003: RATES REMISSION AND POSTPONEMENT POLICIES**

*Approved by the Council on 19 May 2021*

*Amended by the Council on 26 July 2022, revoking Policy 4 Rates remission on Māori freehold land and adopting a new Policy 4*

### Decision-making, general conditions and administrative matters related to these Policies

1. All decisions on applications for the remission or postponement of rates shall be determined by the staff provided with the delegated authority by the Council (as recorded in the Delegations Register) for section 85, 87, 114 and 115 (as relevant) of the Local Government (Rating) Act 2002 (being the Financial Services Manager and Business Support Lead at the time of adoption).
  2. The decisions of officers are final and the Council will not accept appeals against those decisions.
  3. All applications must be received in writing on an approved application form. However, staff may accept verbal applications or applications not on an approved application form if the circumstances warrant it. No application form is required for automatic remissions provided under Rates Policies 2 or 4.
  4. Timing of remissions will be assessed on the following:
    - a. All applications for remissions received and granted under Rates Policies 1, 4, 6 and 7 during a rating year will receive remission from the commencement of the following rating year and no remissions will be backdated.
    - b. All applications for remissions received and granted under Rates Policies 3, 5 and 9 will receive remission from the date of application. An application may be backdated to cover any outstanding balance from the current rating year, but will not be backdated to cover previous rating years.
    - c. Applications for remissions received and granted under Rates Policy 2 will receive remission in relation to the penalties outstanding, and may include remitting penalties for the current rating year and backdating outstanding previous rating years.
    - d. Applications for postponement received and granted under Rates Policy 3 will receive postponement from the beginning of the rating year in which the application is received. An application may be backdated to previous rating years to cover any outstanding rates if the circumstances warrant it (however, for the avoidance of doubt, no refund for paid rates will be given).
    - e. All applications for remissions received and granted under Rates Policy 8 will receive remission from the issue of the next rates instalment notice.
    - f. Applications under Rates Policy 10 may be received at any time.
    - g. Applications under Rates Policies 11 and 12 may be received at any time within 12 months following an event (as defined in those policies).
  5. No rates will be remitted or postponed for government owned properties (including the Crown, central government agencies or local authorities) other than under Rates Policy 8 (Rates remission of uniform annual refuse charge targeted rate) and Rates Policy 10 (Rates remission for significant water leaks).
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## Rates Policy 1

### **Rating of community, sporting and similar organisations**

Section 85 of the Local Government (Rating) Act 2002.

#### **Objectives of the policy**

The Council reaffirms its commitment to assist, where practicable, community clubs and organisations in recognition of the valuable 'Public Good' contribution made by such organisations to the character and well-being of the district.

#### **Conditions and criteria**

1. The Council may remit all general rates on any rating unit that is owned or occupied by a charitable organisation, and is used exclusively or principally for sporting, recreation, or community purposes.
  2. The policy will not apply to organisations operated for private pecuniary profit, or which charge commercial tuition fees.
  3. Organisations that are not registered as charitable entities under the Charities Act 2005 must, in making an application, include the following documents in support of their application:
    - a) Statement of objectives.
    - b) Full financial accounts.
    - c) Information on activities and programmes.
    - d) Details of membership or clients.
  4. In respect of those rates referred to in sections 16 and 19 of the Local Government (Rating) Act 2002 (i.e. targeted rates), only one uniform annual sewer charge will apply and all other targeted rates will be charged at the applicable rate.
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## Rates Policy 2

### **Remission of penalties**

Section 85 of the Local Government (Rating) Act 2002.

### **Objectives of the policy**

The objective of this policy is to enable the Council to act fairly and reasonably in its consideration of rates which have not been received by the Council by the penalty date due to circumstances outside the ratepayer's control; or

In order to ensure the settlement of outstanding rates where the ratepayer has made an arrangement to pay over an extended period.

### **Conditions and criteria**

1. The Council will remit penalties if:
    - a. The ratepayer agrees to an automatic payment or direct debit plan that is sufficient to cover current rates and arrears in place, or
    - b. the ratepayer is able to provide evidence that their payment has gone astray in the post or the late payment has otherwise resulted from matters outside their control, or
    - c. the ratepayer can demonstrate to the Council that doing so is just and equitable having taken into account the individual circumstances.
  2. The Council may remit small balances due to cash rounding.
  3. If an arrangement to pay rates and/or clear outstanding rates is not adhered to, the Council will apply penalties from when the arrangement is breached (noting that remissions cannot be reversed).
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## Rates Policy 3

### **Postponement or remission of rates for financial hardship**

Sections 85 and 87 of the Local Government (Rating) Act 2002.

#### **Objectives of the policy**

The objective of this policy is to assist ratepayers experiencing extreme financial hardship which affects their ability to pay rates.

#### **A. Postponement – Owner/Ratepayer**

##### *Conditions and criteria*

1. Only rating units used solely for residential purposes (i.e. are in the residential rating differential and are not mixed use properties) will be eligible for consideration for rates postponement for extreme financial hardship.
  2. Only the person entered as the ratepayer on the rating information database, or their authorised agent, may make an application for rates postponement for extreme financial hardship on the rating unit which is the subject of the application.
  3. The ratepayer must not own any other rating units (whether in the district or in another district).
  4. When considering whether extreme financial hardship exists, all of the ratepayer's personal circumstances will be relevant including, but not limited to, the following factors: age, physical or mental disability, injury, illness and family circumstances.
  5. Before approving an application the Council must be satisfied that the ratepayer is unlikely to have sufficient funds left over, after the payment of rates, for normal health care, proper provision for maintenance of his or her home and chattels at an adequate standard as well as making provision for normal day to day living expenses.
  6. The ratepayer must either:
    - a. make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments, or
    - b. agree that all future rates be postponed.
  7. The Council may add a postponement fee to the postponed rates for the period between the due date and the date they are paid. This fee will not exceed an amount which covers the Council's administration and financial costs.
  8. The postponement will continue to apply until:
    - The ratepayer ceases to be the owner or occupier of the rating unit; or
    - The ratepayer ceases to use the property as their residence; or
    - The ratepayer notifies the Council of a change in circumstance that means the ratepayer is no long eligible; or
    - A date specified by the Council;whichever is the sooner.
  9. A rating charge will be registered on the certificate of title. The postponed rates will remain as a charge against the property and must be paid either at the end of the postponement term or when the property is sold. Postponed rates may include rate arrears owing from a previous financial year.
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## **B. Remission - Near Ownership Situations**

### *Conditions and criteria*

#### 1. Property Held in Trust

- The amount of the remission will be equal to the Council's Uniform Annual General Charge.
- The applicant may have savings up to a maximum of \$10,000 for the purpose of funeral expenses.
- The applicant's sole income is from a Central Government benefit (including New Zealand superannuation) and earnings on interest from savings for funeral expenses.
- The applicant must be the ratepayer and supply proof from the Trust Deed.
- The applicant must not be a financial beneficiary of the Trust.
- The applicant must not be eligible for a rates rebate.
- The applicant must provide an explanation and proof of hardship.
- The Rating Unit must be rated as Residential.
- The applicant must reside at the property.

#### 2. Habitat for Humanity

- The amount of the remission will be equal to the Council's Uniform Annual General Charge.
  - The applicant must provide proof of the long term sale and purchase agreement for the property with Habitat for Humanity.
  - The applicant's sole income is from a Central Government benefit or their income is at or below the Central Government equivalent benefit and proof of income is supplied.
  - The property must not be eligible for a rates rebate.
  - The applicant must provide an explanation and proof of hardship.
  - The Rating Unit must be rated as Residential.
  - The applicant must reside at the property.
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## Rates Policy 4

### Rates remission on Māori land policy

This is the Council's policy on rates remissions for Māori freehold land and other categories of Māori land made under the authority of sections 85 and 114 of the Local Government (Rating) Act 2002 and sections 102(2)(e), 102(3)(a), 102(3A)(a) and 102(3A)(b), 108 and 109 of the Local Government Act 2002.

Council only remits rates on Māori land, it does not allow postponements. In determining this policy the Council has considered those matters set out in Schedule 11 of the Local Government Act 2002 and the principles set out in the Preamble to Te Ture Whenua Māori Act 1993.

#### **Objectives of the policy**

To support the principles set out in the Preamble to Te Ture Whenua Māori Act 1993 by supporting Māori ownership, use, occupation and development their lands.

To support the achievement of Council's vision and goals through rates remissions that facilitate Māori aspirations for their lands as a cornerstone for Māori wellbeing and prosperity.

#### **General conditions and criteria**

1. An application for rates remission by the owners must:
  - a) include details of the land;
  - b) include documentation that shows the ownership of the land;
  - c) specify whether remission is sought under scheme 1, 2, 3, 4, 5, 6 or 7 of this policy;
  - d) state the reasons why remission is sought.
2. For the rates to be remitted, Council may require evidence each year, by way of statutory declaration, to confirm that the rating unit still complies with the conditions and criteria of the policy.
3. Council reserves the right to seek further information from the applicant if Council deems it necessary.

This policy allows the Council to remit the rates on Māori land in specified circumstances. For the purposes of this policy, "Māori land" is defined as being any of the following categories:

- Māori customary land (per section 129 of Te Ture Whenua Māori Act 1993);
  - Māori Freehold Land (per section 129 of Te Ture Whenua Māori Act 1993);
  - Crown land reserved for Māori (per section 129 of Te Ture Whenua Māori Act 1993) where the rate payer is Māori or a Māori entity;
  - Māori reservation (under section 338 of Te Ture Whenua Māori Act 1993); and Māori reserve land administered under the Māori Reserved Land Act 1955 by the Māori Trustee appointed under the Māori Trustee Act 1953;
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- General land that ceased to be Māori Freehold Land under Part 1 of the Māori Affairs Amendment Act 1967; where the land is beneficially owned by the persons, or by the descendants of the persons, who owned the land immediately before the land ceased to be Māori Freehold Land;
- General land that is beneficially owned by two or more Māori - either individually or through a whanau trust, Māori incorporation, Māori trust board, Marae committee or other similar legally incorporated Māori entity - that previously had the status of Māori Freehold Land, where that land is beneficially owned by the persons or by the descendants of the persons who owned the land immediately before the land ceased to be Māori Freehold Land;
- General land owned by Te Kōwhatu Tū Moana Trust Limited under the New Plymouth District Council Waitara Lands Act 2018, except for land used or intended for commercial development.
- General land owned or purchased by a legally incorporated hapū entity (for instance, Charitable Trusts and Incorporated Societies) that is used or intended to be used for:
  - the community benefit of Māori or the community generally on a not for profit basis;
  - papakāinga housing primarily for hapū members;
  - or land that is set aside from use (including by way of rāhui) to preserve significant cultural or natural values, including wāhi tapu.
- General land owned by an Iwi Authority, settlement trust or subsidiary entity, but excluding land returned by the Crown as commercial redress or purchased by the owners except where the land:
  - is set aside (including by way of rāhui) and protected for cultural, historic or natural conservation purposes or because it is wāhi tapu;
  - is used for the community benefit of Māori or the community generally on a not for profit basis;
  - is used or intended for development as papakāinga housing primarily for whanau and hapū members of the Iwi.

### **Land excluded from the policy**

Land that is:

- Out of Māori ownership (for instance, Māori freehold land that has been sold out of Māori ownership but the land retains the status of Māori freehold land).
  - Commercially leased or intended to be commercially leased. (This exclusion does not include leased land where the gross lease income is equal to or less than the annual rates assessed and the Māori owners are the rate payer).
  - Used for purposes that are inconsistent with the objectives of this policy.
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### **Scheme 1 – Remission for unused Māori land**

Māori freehold land is non-rateable under Schedule 1, Part 1, clause 14A of the Local Government (Rating) Act 2002 (LGRA) if the entire rating unit is unused. The purpose of this remission scheme is to provide rates assistance to unused Māori land that does not meet the criteria in Schedule 1, Part 1 clause 14A of the LGRA, as follows:

- Māori Freehold Land that is partly used.
- Māori land that is not in Māori freehold land title.

A Māori land property is eligible for a remission under Scheme 1 of this policy if the land, or part of the land, is undeveloped and unused.

This means that no person:

1. Leases the land; or
2. Does one or more of the following things on the land, for profit or other benefit (but not including cultural benefit such as protection of wāhi tapu);
  - a) Resides on the land.
  - b) De-pastures or maintains livestock on the land.
  - c) Uses the land in any other way that is not related to:
    - i) the maintenance of cultural traditions associated with the land, including visiting the land, cultural use, the collection of kai or kai moana or cultural or medicinal material (including whanau camping for the purposes of that collection).
    - ii) maintaining or improving the natural or historic heritage value of the land.

This scheme includes wāhi tapu sites and land that has been set aside and protected for cultural, historic or natural conservation purposes.

A qualifying rating unit will be eligible for a 100 per cent remission of the rates (including any outstanding arrears and arrears penalties) on the portion of the rating unit that is undeveloped and unused.

### **Scheme 2 - Remission for Māori land under development**

The purpose of this remission scheme is to support the development and use of Māori land by its owners. Subject to the conditions set out below, the council will remit rates in the following circumstances:

1. For Māori land that directly before the development begins is unused land (and non-rateable or is unused as defined in Scheme 1), either in part or in respect of the entire rating unit.
  2. Council will remit the rates on the unused portion (whether that unused portion is the entire rating unit or part of the rating unit) until such time as development of the unused portion is complete.
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3. For all other Māori land, where the council is satisfied that the development on that land will provide:
  - a) Additional residential accommodation for the owners, their whanau or hapū; or
  - b) Community facilities either for the benefit of Māori or the general community;

Council will remit the rates on the portion of the land that is being developed.

### **Definitions for these remissions**

For the purposes of this remissions scheme:

- Development in respect of 1. above refers to the establishment of activity on otherwise unused land and could include housing, papakāinga, commercial activity or where urban / rural development infrastructure has been constructed to enable future development.
- Development work will be considered to have started from either:
  - evidence (photos or resource consent for works) is provided for the demolition of current structures or the starting of ground works;
  - the date of issuing the building consent for the development.
- Development work will be considered to be completed when the council issues a Code of Compliance Certificate for the development, or the development is able to be occupied or utilised.

### **Conditions for remissions**

1. Remission under this scheme is only available where the Māori owners of the land are the ratepayer of the land. A remission will not apply to any services charges for a service that is provided to the property.
  2. If, during the period of development, part of the property continues to be occupied or used for residential or commercial purposes, the part of the property occupied or used will not be eligible for rates remission.
  3. If development is completed in stages over more than one rating year, then a partial remission can be applied to those parts of the land where development is not yet complete.
  4. Developments that take more than two years from the start of the remission to complete will require a new application outlining the progress of the development, and the expected timeframe for completion, for the remission to be extended.
  5. To qualify for remission, Council must be satisfied that the development is likely to have any or all of the following benefits:
    - benefits to the district by creating new employment opportunities;
    - benefits to the district by creating new homes;
    - benefits to the Council by increasing the Council's rating base in the long term;
    - benefits to Māori in the district by providing support to Marae in the district;
    - benefits to the owners by facilitating the occupation, development and utilisation of the land.
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## **Remission for rates for Māori Freehold Land under development under section 114A of the Local Government (Rating) Act 2002**

Ratepayers for Māori freehold land that are developing, or intend to develop the land, who do not qualify for remission under the policy criteria, may apply to council for consideration of remission under section 114A of the Local Government (Rating) Act 2002 (LGRA). The council is required to consider applications for remission of rates on Māori Freehold Land, if the ratepayer is developing or intends to develop the land. Remissions under [section 114A](#) of the LGRA are only available to land in Māori Freehold Land title.

## **Scheme 3 - Remission for Māori land used for non-commercial purposes for the community benefit of Māori**

Māori land is eligible for a remission if that land, or part of that land, is used for non-commercial purposes for the community benefit of Māori.

Examples include (but are not limited to):

- not for profit health clinics, community and cultural centres;
- Marae land used for Papakāinga housing is eligible for remissions where accommodation is provided free of charge or for a peppercorn rental to individuals who maintain the land or cultural practice, such as caretaker accommodation or kaumātua housing;
- Marae land used for kai māra or grazing purposes on a not for profit basis to service Marae needs or to provide food for whanau or hapū members free of charge.

For eligible rating units, this remission excludes services charges for services provided to the property.

## **Scheme 4 – Remission of previous years’ rates arrears on Māori land**

The remission of historical rate arrears removes barriers that may stop owners using or developing the land and encourages them to start paying the rates.

### **Conditions**

A property is eligible for a remission of the previous years’ rates arrears if the owners pay the current rates for three consecutive years. The arrears and arrears penalties will remain on the account but if the annual rates are paid for three years, the arrears, including arrears penalties will be remitted.

## **Scheme 5 – Remission of Uniform Annual General Charge for residents who occupy papakāinga housing under a licence to occupy, occupation order or an informal arrangement on a rent-free basis**

Council recognises that the imposition of multiple UAGCs (Uniform Annual General Charges) might act as a disincentive to Māori seeking to occupy Māori land for housing purposes.

Council will consider applications for the remission of multiple UAGCs on a rating unit where these dwellings are covered by a licence to occupy, occupation order, or an informal arrangement on a rent-free basis.

### **Conditions and criteria**

1. The part of the land concerned must be the subject of a licence to occupy, occupation order or an informal arrangement for the purposes of providing residential housing for the occupier on a rent-free basis.
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2. For the purposes of this policy, 'rent-free' basis is defined as including where the land owner charges a fee to recover costs for communal services provided to the land.
3. To avoid doubt, one uniform annual general charge is payable for the rating unit but the uniform annual general charge for each subsequent dwelling can be remitted under this scheme. The remission does not cover services charges for services provided to the property.
4. For the purposes of this remission, an occupation order means an occupation order issued by the Māori Land Court under section 328 of Te Ture Whenua Māori Act 1993.

### **Scheme 6 – Remission for uneconomic Māori land**

The purpose of this remission scheme is to provide rates assistance to Māori land that does not generate an economic return to the owners.

A Māori land rating unit is eligible for a remission under Scheme 6 of this policy if the rating unit is used but its use does not generate an economic return. This means that:

- The land is used (for example, for grazing or cropping).
- The income (if any) generated by the use is less than or equal to the amount of rates that are payable for the land.
- The land is not eligible for any other rates remission.

A qualifying rating unit will be eligible for a 25 per cent per cent remission of the rates on the rating unit. Remission excludes services charges for services provided to the property.

### **Scheme 7 – Uneconomic Māori land rateable values remission**

This scheme recognises that Māori land in coastal areas or urban areas used essentially for rural purposes cannot generate a sufficient return. This scheme does not challenge the valuation placed on the land but rather provides a mechanism that allows for the payment of some rates in circumstances where assessed rates are not considered appropriate. The scheme recognises that the tenure of Maori freehold land makes sale and raising of debt against the land very difficult. Setting value on a basis of willing seller/willing buyer can therefore produce anomalies.

#### **Conditions and criteria for the remission:**

- The actual use of the land is not its "highest and best use" (as per its rating valuation);

The valuation for the purposes of the remissions calculation will be calculated using the Council's determination (with assistance from its valuation services provider) of what the rating unit's valuation would be if the land did not have development potential and its actual use were its highest and best use.

The remission amount will be calculated as the difference between the rates actually assessed and what the assessed rates would be if the rating unit's rateable value did not take account of development potential and its actual use were its highest and best use.

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## Rates Policy 5

### **Rates remission in miscellaneous circumstances**

Section 85 of the Local Government (Rating) Act 2002.

#### **Objectives of the policy**

It is recognised that not all situations in which the Council may wish to remit rates will necessarily be known about in advance and provided for in the Council's specific policies.

#### **Conditions and criteria**

1. The Council may remit part or all rates on a rating unit where The Council considers it just and equitable to do so because:
    - a. There are special circumstances in relation to the rating unit, or the incidence of the rates (or a particular rate) assessed for the rating unit, which mean that the unit's rates are disproportionate to those assessed for comparable rating units, or
    - b. The circumstances of the rating unit or the ratepayer are comparable to those where a remission may be granted under the council's other rates remission policies, but are not actually covered by any of those policies, or
    - c. There are exceptional circumstances that mean the Council believes that it is in the public interest to remit the rates and where granting a remission would not create or set a precedent for other ratepayers to receive similar remissions.
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## Rates Policy 6

### **Rates remission for protected natural areas**

Section 85 of the Local Government (Rating) Act 2002.

#### **Objectives of the policy**

The objective of this policy is to encourage the maintenance, enhancement and protection of natural areas by providing rates relief for privately owned land that contains special features protected for ecological value purposes. It allows Council to assist landowners who have:

- a significant natural area identified on their property in the District Plan, or
- have voluntarily retired land with high ecological value solely for conservation purposes, where the land is being sustainably managed and subject of a protective covenant or by other legal mechanism providing similar protection to a protective covenant.

#### **Conditions and criteria**

1. The Council may remit rates for properties protected for ecological value that meet the following criteria:
    - a) The land must be protected either by having a significant natural area identified in the District Plan, or by way of a protective covenant, or by other legal mechanism providing similar protection to a protective covenant
    - b) Where the property is protected by way of a protective covenant or by other legal mechanism providing similar protection to a protective covenant:
      - i) The protective covenant or other legal mechanism must meet the requirements of the District Plan for legal protection of the special ecological features to achieve the protective outcome.
      - ii) The protected area meets the significance criteria for protected in the District Plan.
      - iii) Evidence of the legal protection mechanism and a plan to sustainably manage the ecological values of the protected natural features.
      - iv) The area of land containing the protected natural features must be readily identified and able to be measured distinctly from the total area of the property.
  2. The Council will remit the general rate pro-rata to the land value of the area protected to the total area of the property, with the following criteria to assess the amount of remission:
    - a) The general rate of the area pro-rata will be remitted by 50 per cent where the protected area is protected by virtue of identification as a significant natural area in the District Plan.
    - b) The general rate of the area pro-rata will be remitted by 100 per cent where the protected area is protected by a protective covenant or other legal mechanism providing similar protection.
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3. In this policy a property is considered to be identified in the District Plan as having a significant natural area if either:
    - a) A significant natural area is identified on that property in an operative District Plan, or
    - b) A significant natural area is identified on that property in a proposed District Plan but only if:
      - i) no submissions in opposition have been made and the time for making submissions has expired; or
      - ii) all submissions in opposition, and any appeals, have been determined, withdrawn, or dismissed.
  4. For the avoidance of doubt, a property becomes ineligible for a rates remission if the natural area is destroyed (or pro rata to the area destroyed), regardless of whether a resource consent is issued or not.
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## Rates Policy 7

### **Remission of uniform annual general charges on rating units which are used for residential purposes and which include a separately inhabited part occupied by a dependent member of the family of the owner of the rating unit**

Section 85 of the Local Government (Rating) Act 2002.

#### **Objectives of the policy**

The policy is to provide for rates remission where more than one uniform annual general charge is assessed on a rating unit because that rating unit comprises more than one separately used or inhabited part and where the rating unit is used for residential purposes and includes a separately inhabited part occupied by a dependent member of the family of the owner of the rating unit.

#### **Conditions and criteria**

The Council may remit the specified rates where the application meets the following criteria:

1. The rating unit must be used as the owner's residence but also contain a minor flat or other residential accommodation unit which is inhabited by a member of the owner's family who is dependent on the owner for financial support and occupies the accommodation on a non-paying basis (e.g. granny flat).
  2. The owner(s) of the rating unit must complete and provide to the Council a statutory declaration. Such a declaration will be effective for three years or until the conditions cease to be met, whichever is earlier. A new declaration must be completed and provided in order to qualify for consideration for remission beyond the three year period.
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## Rates Policy 8

### **Rates remission of uniform annual refuse charge targeted rate**

Section 85 of the Local Government (Rating) Act 2002.

#### **Objectives of the policy**

To recognise that some properties within the service area may be approved by the Council (in accordance with the relevant bylaw) to not receive some or all of the Council provided refuse collection and disposal service.

#### **Conditions and criteria**

1. Some or all of the uniform targeted rate for refuse collection and disposal will be remitted where the Council has approved the property to not receive some or all of the Council provided refuse collection and disposal service under the relevant Council bylaw relating to solid waste (being the Solid Waste Management and Minimisation Bylaw 2019 at the time of adoption).
  2. The amount of the uniform targeted rate that is remitted will be determined in accordance with the cost of providing the service or services not received. Where a property is approved to not receive any service then that property shall have 100 per cent of the targeted rate remitted.
  3. Any remission of charges under this policy will apply from the following quarter that the service is ceased, and the remission of charges will also cease the following quarter if the service resumes.
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## Rates Policy 9

### **Rates remission for financial hardship as a result of changes to the rating system**

Section 85 of the Local Government (Rating) Act 2002

#### **Objectives on the policy**

This policy recognises that when the Council alters parts of the rating system to achieve a more equitable distribution of rates, doing so may cause financial hardship for some ratepayers, and thereby provides a remission for affected ratepayers.

#### **Conditions and criteria**

1. This policy only applies where the Council determines to make significant changes to the rating system, including changes to uniform charges, differentials or the number of targeted rates.
  2. This policy does not apply to annual changes in rates requirements, including changes to targeted rates as a result of changes to service levels (including the imposition of a targeted rate on a property as a result of receiving a service that was not previously provided or charged to a property) and inflationary adjustment of uniform charges.
  3. The applicant must provide evidence of financial hardship as a result of the change. The following grounds can be taken into account:
    - a. The ratepayer's personal circumstances including, but not limited to, age, physical or mental disability, injury, illness and family circumstances;
    - b. Whether the ratepayer is unlikely to have sufficient funds left over, after the payment of rates, for normal health care, proper provision for maintenance of his or her home and chattels at an adequate standard as well as making provision for normal day to day living expenses;
    - c. The ratepayer's sole income is from a Central Government benefit (including New Zealand superannuation).
  4. The amount of remission will be set as half of the difference between the property's rates for that year and the property's rate for that year if the change to the rating system for that year had not been applied.
    - a. In determining the property's rate for that year if the changes to the rating system had not been applied, the Council will use the relevant parts of the previous year's rating system (e.g. differentials, uniform charges) but will use the current financial year's rates requirement.
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## Rates Policy 10

### **Rates remission for significant water leaks**

Section 85 of the Local Government (Rating) Act 2002

#### **Objectives on the policy**

The objective of this policy is to provide an incentive for ratepayers to fix water supply leaks through providing a partial remission of volumetric charges upon a leak being fixed in a timely and diligent manner.

#### **Conditions and criteria**

1. The Council may remit the water volumetric charge rate in accordance with the provisions of the New Plymouth District Council Bylaw 2008: Part 14: Water, Wastewater and Stormwater Services clause 9.7.11, or any such provision in a bylaw that replaces that clause.
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## Rates Policy 11

### Rates postponement for significant unexpected events

Section 87 of the Local Government (Rating) Act 2002

#### Objectives on the policy

The objective of this policy is to recognise that significant unexpected events may occur that place some ratepayers into significant financial hardship due to no fault of their own, and that provision of a short-term postponement of rates may limit the financial hardship

#### Conditions and criteria

1. An "event" under this policy is triggered either:
    - a. By a declaration of state of national emergency or of local emergency over the District, or
    - b. By resolution of the Council, having considered the following matters:
      - i. The type of implications arising, or likely to arise, from the potential event
      - ii. Whether the potential event is unusual or whether it is a frequently occurring event
      - iii. The likelihood of the potential event having implications that last longer than the potential event itself
      - iv. Any other matter the Council considers relevant
    - c. An "event":
      - i. does not have to be of natural occurrence, and can include social and economic events
      - ii. excludes social, economic, environmental, technological and other trends, although may include events caused partially or in full by such trends (*for instance, climate change is not an event, but a large storm that is attributable to climate change could be considered an event; a significant recession can be considered an event, but a long-term sector decline cannot be considered an event*)
      - iii. excludes political or legal decisions, whether by the Council, other local authorities, central Government, or international.
      - iv. excludes impacts that arise from Council actions (for instance, road closures, events and so forth).
    - d. A resolution for an event under (b) automatically triggers both policy 11 and 12, unless the resolution states otherwise.
  2. A ratepayer may apply for a postponement under this Policy if the ratepayer meets one or more of the following criteria:
    - a. The ratepayer can demonstrate to the satisfaction of the Council that the event has, or is likely to cause, a reduction in income or revenue of at least 30 per cent over a three-month period
    - b. The ratepayer can demonstrate to the satisfaction of the Council that the property has suffered significant damage as a result of the event that is likely to impact on the
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long-term usability of the property (*for instance, a major slip on a farmland property resulting in the need to retire the affected area*)

3. The ratepayer must provide evidence with their application, and the burden of proof is on the ratepayer making the application
  4. A ratepayer who meets the criteria may receive a postponement for any outstanding rates (including any rates in arrears) and all rates due within a 12 month period from the date of application
  5. A rating charge shall be registered on the certificate of title
  6. The ratepayer must repay the outstanding rates within three years of the end of the period for which rates have been postponed
    - a. The ratepayer may apply for one extension of a further three years
    - b. The Council will consider any application for an extension on a case-by-case basis, and may take into account any ongoing impacts of the event and other circumstances.
  7. The ratepayer must pay a postponement fee, made up of interest (charged at the actual cost of the Council's borrowing) and an administration fee (set at the Council's actual cost of processing the initial application, including registering charges on the certificate of title).
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## Rates Policy 12

### Rates penalty remission for significant unexpected events

Section 87 of the Local Government (Rating) Act 2002

#### Objectives on the policy

The objective of this policy is to recognise that significant unexpected events may occur that place some ratepayers into significant financial hardship due to no fault of their own, and that provision of a short-term remission of penalties may limit the financial hardship.

#### Conditions and criteria

1. An "event" under this policy is triggered either:
    - a. By a declaration of state of national emergency or of local emergency over the District, or
    - b. By resolution of the Council, having considered the following matters:
      - i. The type of implications arising, or likely to arise, from the potential event
      - ii. Whether the potential event is unusual or whether it is a frequently occurring event
      - iii. The likelihood of the potential event having implications that last longer than the potential event itself
      - iv. Any other matter the Council considers relevant
    - c. An "event":
      - i. does not have to be of natural occurrence, and can include social and economic events
      - ii. excludes social, economic, environmental, technological and other trends, although may include events caused partially or in full by such trends (*for instance, climate change is not an event, but a large storm that is attributable to climate change could be considered an event; a significant recession can be considered an event, but a long-term sector decline cannot be considered an event*)
      - iii. excludes political or legal decisions, whether by the Council, other local authorities, central Government, or international.
      - iv. excludes impacts that arise from Council actions (for instance, road closures, events and so forth).
    - d. A resolution for an event under (b) automatically triggers both policy 11 and 12, unless the resolution states otherwise
  2. The Council may, by resolution, determine that it will remit any penalties for quarterly instalments for those affected by the event
    - a. The resolution must specify the applicable quarterly instalments
    - b. The resolution may specify the group(s) of ratepayers eligible for the penalty waiver (but if no such group is specified then all ratepayers are considered eligible)
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3. Following declaration of any event, the Council may remit any penalty within the following year where:
    - a. the ratepayer pays the outstanding rates and
    - b. can provide evidence, to the satisfaction of the Council, of reduced income or revenue, or other form of hardship (such as increased costs for recovery), as a result of the event, such as:
      - i. Assistance from central Government to reflect the event
      - ii. Information from a bank or accountant of reduced income or revenue
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