



RATES REMISSION POLICY

Reference Number:	A804698
Authorised by: Invercargill City Council	Effective Date: 29 October 2014 Supersedes: 2009 Rates Remission Policy
Policy Owner:	Invercargill City Council
Purpose: This defines the statement of intent of the policy.	This policy outlines the objectives sought to be achieved by the remission of rates and the conditions and criteria to be met in order for rates to be remitted.

REMISSIONS FOR COMMUNITY, SPORTING AND OTHER ORGANISATIONS

Objectives

To facilitate the ongoing provision of not for profit community services, sporting and recreational opportunities for the residents of the district.

The purpose of granting rates remission to an organisation is to:

- Assist the organisation's survival; and
- Make membership of the organisation more accessible to the general public, particularly disadvantaged groups. These include children, youth, young families, aged people, those with disabilities and economically disadvantaged people.

Conditions and Criteria

This part of the policy will apply to land owned and occupied by a community, sporting or charitable organisation, which is used exclusively or principally for sporting, recreation, or community purposes.

The policy will not apply to groups or organisations whose primary purpose is to address the needs of adult members (over 18 years) for entertainment or social interaction.

The remission is set at 50% of all rates with the exception of targeted rates for water supply, sewage disposal or refuse collection. Properties used for community residential purposes will be set at 100% except for targeted rates for water supply, sewage disposal or refuse collection. Council will, however, decide the amount of rates to be remitted on a case by case basis.

Applications for remission must be made on the prescribed form (available from Council offices or from the Bluff Service Centre).

The application for rates remission must be made to Council prior to the commencement of the rating year. Applications received during a rating year will be applicable from the commencement of the following rating year. Applications will not be backdated.

Organisations making application should include the following documents in support of their applications:

- Statement of objectives; and
- Financial accounts; and
- Information on activities and programmes; and
- Details of membership or clients.

The policy shall apply to such organisations as approved by Council as meeting the relevant criteria. Council may delegate the authority to make such approvals to particular Council officers as specified by a resolution of Council.

In granting remissions under this part of the policy Council may specify certain conditions before remission will be granted. Applicants will be required to agree in writing to these conditions and to pay any remitted rates if the conditions are violated.

REMISSIONS FOR ECONOMIC DEVELOPMENT

Objectives

Council is committed to supporting and promoting a profitable business sector. Rates relief is tangible evidence of this commitment.

Conditions and Criteria

Council favours developments that directly or indirectly have the potential to boost employment opportunities in the district in the long term. This can be new building developments or the alteration of existing buildings. Residential development is not included in this policy.

Specifics

- (i) The development cost should be at least \$100,000 for the following industries:
 - (a) Downstream industries (eg forest products, aluminium, fishing).
 - (b) Industries unaffected (largely) by freight costs (eg high tech, information collection and distribution and education).
 - (c) Tourism related activities.Council also has discretion to consider applications under \$100,000 in special circumstances.
- (ii) The development cost for all other activities must be at least \$250,000.
- (iii) Rates may be remitted for up to three years and Council may impose conditions as to the completion of the development.
- (iv) Developments which in Council's opinion are in direct competition with other operational businesses will not be eligible, however relief may be granted during the construction period.

Consideration of Other Matters

Each application will be treated on its merits and Council will have regard to:

- (i) The financial advantage to the district, including job creation.
- (ii) The extent to which the viability of the development is reliant on rates relief and whether such relief would expedite the development.
- (iii) The provision of any free public amenities or public facilities (other than those required by another Act), such as public viewing areas and restrooms, landscaping and environmental improvement, fountains and outdoor sculptures.
- (iv) Other issues specific to the application including:
 - The ability of the applicant to pursue sound business practices.
 - The better utilisation of the city's infrastructural assets.
 - Promotional factors of benefit to the city.

Applications for the remission for economic development should be made at the planning stage and will be considered by the Finance and Policy Committee of Council. In considering applications Council may decide to seek independent verification of any information provided on an application.

Council will decide what amount of rates will be remitted on a case by case basis. For the purposes of this part of the policy, a project will be viewed as having commenced when a building consent is issued.

In granting remissions under this part of the policy Council may specify certain conditions before remission will be granted. Applicants will be required to agree in writing to these conditions and to pay any remitted rates if the conditions are violated.

REMISSION OF RATES ON LAND PROTECTED FOR NATURAL, CULTURAL OR HISTORIC CONSERVATION PURPOSES

Objectives

To preserve and promote natural resources and heritage to encourage the protection of land for natural, cultural or historic purposes.

Conditions and Criteria

Ratepayers who own rating units which have some feature of natural, cultural or historic heritage which is voluntarily protected may qualify for remission of rates under this part of the policy.

This policy applies only to property over which a protection order or covenant has been issued under the following Acts:

Section 6	Historic Places Act 1993
Section 39	Heritage New Zealand Pouhere Taonga Act 2014
Section 22	Queen Elizabeth the Second National Trust Act 1977
Sections 76 and 77	Reserves Act 1977
Section 27	Conservation Act 1987

Land that is non-rateable under Section 8 of the Local Government (Rating) Act and is liable only for rates for water supply, sewage disposal or refuse collection will not qualify for remission under this part of the policy.

Applications must be made in writing. Applications should be supported by documentary evidence of the protected status of the rating unit (eg a copy of the covenant or other legal mechanism).

The Director of Finance and Corporate Services shall have the authority to remit rates under this section. Remissions may be granted subject to conditions. Applicants will be required to agree in writing to any conditions and to pay any remitted rates if the conditions are violated.

REMISSION OF PENALTIES

Objective

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

Conditions and Criteria

Automatic remission of the penalties incurred on instalment one will be made where the ratepayer pays the total amount due for the year on or before the penalty date of the second instalment.

Remission of one penalty will be considered in any one rating year where payment has been late due to significant family disruption. Remission will also be considered in the case of death, illness, or accident of a family member.

Remission of the penalty will be granted if the ratepayer is able to provide evidence that their payment has resulted from matters outside their control. Each application will be considered on its merits and remission will be granted where it is considered just and equitable to do so.

The Director of Finance and Corporate Services shall have the authority to remit penalties under this section.

Monitoring & Auditing:

This section describes who and how the application of the policy will be monitored.

The Audit and Risk Committee will monitor the application of this Policy via reports from Executive staff.

Revision History:

Effective Date:

29 October 2014

Review Period:

This Policy will be reviewed every six (6) years unless earlier review is required due to legislative changes, or is warranted by another reason.

Associated Documents / References:

Rates Remission Application Form (A355596)