

# REMISSION AND POSTPONEMENT OF RATES ON MĀORI FREEHOLD LAND

Effective from 1 July 2021

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## Purpose

This policy allows for rates postponement and remissions on Māori freehold land.

This policy helps to reduce the barriers for owners of Māori freehold land who want to use, occupy, build houses on, and develop their whenua, particularly for those who have rates arrears. It also provides greater consistency, equity and clarity around the rating of Māori land for the benefit of Māori landowners and local authorities.

## Statutory Requirements

- Section 102(2)(e) of the Local Government Act 2002 states that Council must adopt a policy on the remission and postponement of rates on Maori freehold land.
- Section 108 and Schedule 11 of the Local Government Act 2002 states what the policy must contain.
- Section 114 of the Local Government (Rating) Act 2002 allows the Council to remit all or part of the rates on a rating unit if it has adopted a remission policy and is satisfied that the conditions and criteria in the policy are met.
- Section 114A of the Local Government (Rating) Act 2002 allows the Council to remit all or part of the rates on a unit if the ratepayer has applied in writing for a remission on the land and the ratepayer or another person is developing, or intends to develop the land.
- Section 115 of the Local Government (Rating) Act 2002 requires the Council to postpone all or part of the rates on a rating unit if it has adopted a postponement policy and is satisfied that the conditions and criteria in the policy are met.
- Section 108(4A) of the Local Government Act 2002 states that this policy must be reviewed at least once every 6 years using a consultation process that gives effect to the requirements of section 82 of the Local Government Act 2002.

## Principles

To recognise the special characteristics of Māori freehold land.

Māori freehold land is recognised under the Te Ture Whenua Māori Act 1993 as a taonga tuku iho of special significance to Māori passed from generation to generation. An interest in Māori land is also considered a tangible whakapapa (genealogical) link for owners to their past and present whānau, hapū and Iwi, whether they live on or close to the land or not.

## Key Definitions

Remitted rates	Rates for which the requirement to pay is remitted.
Māori freehold land	Land whose beneficial ownership has been determined by the Māori Land Court by freehold order.
Māori freehold land in multiple ownership	Māori freehold land owned by more than two persons (Section 5 of Local Government (Rating) Act 2002).
Rates Postponement	Rates for which the requirement to pay is postponed.

## Wholly Unused Land

Māori freehold land that is wholly unused will not be charged rates.

Any wholly unused Māori freehold land that has historic rates arrears will be automatically removed and no further rates will be charged.

## Ability to write-off arrears

Invercargill City Council will write-off outstanding rates on any land that it considers unrecoverable, including rates debt inherited from deceased owners.

## Rates remission for Māori freehold land under development

Invercargill City Council can remit rates on Māori freehold land in order to encourage development.

## Ngā Whenua Rāhui kawenata land to be made non-rateable

All land protected by Ngā Whenua Rāhui is non-rateable and outstanding rate arrears are written off.

## Monitoring and Auditing

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

<b>Revision History:</b>	NIL
<b>Reference Number:</b>	A3426618
<b>Effective Date:</b>	1 July 2021
<b>Review Period:</b>	This Policy will be reviewed every six (6) years, unless earlier review is required due to legislative changes, or is warranted by another reason requested by Council.
<b>Supersedes:</b>	2015 Policy on Rating of Maori Freehold Land (A1214017)
<b>New Review Date:</b>	June 2027
<b>Associated Documents/References:</b>	Local Government (Rating of Whenua Māori) Amendment Act 2021; Te Ture Whenua Māori Act 1993
<b>Policy Owner:</b>	Strategy and Policy