



**Final
Policy on Remission of Rates**

**(Including Remissions and
Postponements of Rates on
Māori Freehold Land)**

2018

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1.0 Introduction

- 1.1 The Local Government (Rating) Act 2002 (LGRA) authorises Council to set, assess and collect rates to fund its activities.
- 1.2 Section 85 of the LGRA and Section 102(3)(a) of the Local Government Act 2002 (LGA) provide authority for Council to remit rates and to adopt a rates remission policy. Council sets rates on all rateable land in accordance with its Revenue and Financing Policy (RFP) adopted under Section 102(2)(a) of the LGA and its Funding Impact Statement (FIS) adopted under Section 20, Schedule 10 of the LGA.
- 1.3 The Rates Remission Policy (RRP) documents any exceptions to the application of the Funding Impact Statement, the objectives sought by way of exception and the criteria applied to determine eligibility.
- 1.4 The RRP sets out a policy for the remission of rates under the following headings:
- 3.0 Remission of Rates for Properties used jointly as a single unit.
 - 4.0 Remissions for Community Organisations.
 - 5.0 Remission for Organisations providing Care for the Elderly.
 - 6.0 Remissions for land owned by Clubs and Societies.
 - 7.0 Remission of Rates for Council Properties.
 - 8.0 Remission of Rates on Māori Freehold land.
 - 9.0 Remission of Penalties
 - 10.0 Remission of Rates and/or penalties following a rating sale or an abandoned land sale.
 - 11.0 Remission of Rates for New Residential Subdivisions.
 - 12.0 Remission of Rates in Cases of Genuine Financial Hardship.
 - 13.0 Remission of Rates in Cases of Land Affected by Natural Calamity.
 - 14.0 Remission of Rates for New Businesses.
- 1.5 The RRP is authorised by the LGA. In particular Section 109 of the LGA provides that any **Rates Remission Policy** must address the following;
- (1) *A policy adopted under section 102(3) (a) must state-*
 - (a) *The objectives sought to be achieved by the remission of rates;*
and
 - (b) *The conditions and criteria to be met in order for rates to be remitted.*
 - (2) *In determining a policy under section 102(3) (a), the local authority may consider the matters set out in Schedule 11 LGA [Matters relating to rates relief on Māori freehold land].*
 - (3) *For the purposes of this section, the term **rate includes** penalties payable on unpaid rates.*
- 1.6 Section 85 of the LGRA provides that Council may remit rates on the following basis:
- (1) *A local authority may remit all or part of the rates on a rating unit (including penalties for unpaid rates) if-*

- (a) *The local authority has adopted a remissions policy under section 102 (3) (a) of the Local Government Act 2002; and*
 - (b) *The local authority is satisfied that the conditions and criteria in the policy are met.*
- (2) *The local authority must give notice to the ratepayer identifying the remitted rates.*

2.0 Delegation to Operate, Application Process and Review of Decisions

2.1 The Chief Executive is delegated the authority to apply the Rates Remission Policy. Access to the rate remission arrangements is by way of application to the Council by the owner or occupier of the rating unit(s) or by staff who may process applications on behalf of owners of unoccupied and unproductive Māori Freehold Land.

2.2 In the event that any applicant, for remission of rates, seeks a review of any decision taken under delegation the following process shall be followed:

1. Any application for review shall be made in writing, on the prescribed form, outlining the reasons for seeking a review and including appropriate documentation in support.

Note: Additional information may be requested to allow a better understanding of the merits and background of the application.

2. The application will be investigated and the application together with a report and recommendation thereon will be submitted to a meeting of the Council for its consideration and decision.
3. The decision of the Council will be final, and the applicant will be notified of the decision within 10 working days of the decision being made.

3.0 Remission of Rates for Properties Used Jointly as a Single Unit

3.1 Introduction

Sections 15(2) and 16 of the LGRA provide that a Uniform Annual General Charge (UAGC) and a Targeted Rate are rates for the purposes of the Act.

The Council's RFP sets out how UAGCs and Targeted Rates are assessed against rateable land.

Section 20 of the LGRA provides that two or more rating units must be treated as one unit for setting a rate if certain criteria are met;

... those units are –

- (a) *owned by the same person or persons; and*

- (b) *used jointly as a single unit; and*
- (c) *contiguous or separated only by a road, railway, drain, water race, river or stream.*

This section of the RRP addresses land ownership and land use situations that fall outside of that limitation defined by Section 20 of the LGRA.

In certain situations Council believes the criteria provided for in Section 20 (a) and (c) of the LGRA does not assist ratepayers where rateable land is used as part of a farm operation.

A remission will be granted in respect of rateable property used for farming purposes where Council is satisfied its objectives are met.

3.2 Objectives

To extend the definitions of ownership and contiguous land as contained in Section 20 (a) and (c).

To assist the use of rateable land as part of a farming operation where not all the rateable land is contiguous with land owned, or occupied under long term lease, by the same person or persons but is nevertheless used jointly as a single farming unit. The intention being to ensure that the use of such rateable land for farming purposes is not disadvantaged by the obligation to pay multiple UAGCs and other Targeted uniform annual charges – (i.e. all rates other than those charged on the basis of capital value).

To assist ongoing rural economic development by removing a UAGC and Targeted uniform annual charge liability that might create a cost barrier to the efficient integration of non-contiguous land into one farming operation.

To assist in the utilisation of unoccupied, undeveloped land in township areas to achieve:

- a. good land management,
- b. an improvement to visual amenity values
- c. better environmental outcomes through assisting in weed and pest management
- d. reduction of risk of fire hazard and to public health

By enabling non-contiguous vacant sections that are owned or occupied under long term lease by the same person or persons and used jointly as a single unit that might otherwise be unfairly disadvantaged by way of the obligation to pay multiple UAGCs and other Targeted uniform annual charges.

3.3 Conditions and Criteria

The following categories of land use shall determine whether or not this policy shall apply to rateable land.

1. Rateable Land used for Farming Purposes

For the purposes of this policy, land used for farming purposes shall be defined as land used for 'pasturage'; being, the business of feeding or grazing livestock. Eligible farming properties are those where:

- a. The applicant is the owner or can demonstrate a long term interest in two or more separately rateable rural farm properties and that two or more of those properties are used for farming purposes; and
- b. The properties are used jointly as a single farm property for the purpose of carrying out a farming operation; and
- c. The property for which the remission is sought does not carry sufficient improvements to allow it to be operated as a separate farming unit; and
- d. The land for which the remission is sought is not occupied by a habitable dwelling.

2. Rateable Land located in Townships

Rateable land located within Waitomo District townships where:

- a. The applicant is the owner or holds a written long term interest in two or more separately rateable properties that may or may not be contiguous; and
- b. The properties are used jointly as a single property; and
- c. The property for which the remission is sought does not carry improvements exceeding \$1,000 in value, and is not occupied by a dwelling.
- d. The property for which the remission is sought must be maintained in good order and repair as ascertained by the Council.

Application for remission of rates on properties used jointly as a single unit must be made on a 3 yearly basis to ensure continued eligibility for remission. It is the responsibility of the owner or person holding a long term interest in the property to notify Council of any change in circumstance in the interim period.

4.0 Remissions for Community Organisations (Schedule 1, Part 1: Land fully non-rateable)

4.1 Introduction

Schedule 1, Part 1 of the LGRA defines land categorised as non-rateable for the purposes of the LGRA.

Council recognises that Schedule 1, Part 1 of the LGRA limits the authority to set, assess, and collect rates on certain land. However non-rateable properties are liable for Targeted Rates assessed for the provision of services as contained within the Funding Impact Statement.

The LGRA provides in Schedule 1, Part 1 that the land defined in the following clauses is fully non-rateable:

- (4) *Land used by a local authority-*
 - (c) *for a public hall, library, athenaeum, museum, art gallery, or other similar institution.*
- (6) *Land owned or used by, and for the purposes of, -*
 - (b) *an education establishment defined as-*
 - (iv) *an early childhood centre*
- (9) *Land used solely or principally-*
 - (a) *as a place of religious worship*
- (12) *Land that is set apart under s338 of Te Ture Whenua Māori Act 1993 and-*
 - (a) *that is used for the purposes of a marae or meeting place and that does not exceed 2 hectares*

Council wishes to limit the liability for Targeted Rates for some properties classified under Schedule 1, Part 1 of the LGRA.

Council also wishes to remit rates on rateable land where the land use is similar to the land uses defined in Schedule 1, Part 1 but which fall outside of the uses defined in the schedule.

This Policy sets out the remissions available to Waitomo arts and heritage groups, pre-schools, marae and churches. This Policy clarifies liability for groups listed under Schedule 1, Part 1, Sections (4) (6) (9) and (12).

4.2 Objectives

- a. To extend the arrangement provided for in the LGRA (for arts and heritage groups on Council land), to similar arts and heritage groups on private land.
- b. To support the development of arts and culture in the Waitomo District.
- c. To clarify liability for marae, churches and pre-schools' service charges.

4.3 Conditions and Criteria

Community halls, art galleries and museums receive a rates remission of 100% of the assessed Rates INCLUDING service charges EXCEPT for a maximum of one Targeted Rate charge, set for each of water, sewerage and solid waste collection services. Any Community halls, art galleries or museums opting for a private solid waste collection arrangement will not pay the solid waste collection rate, and would not receive a collection service. Community halls are defined as those halls and community centres located on Council administered land, and those privately owned community halls recognised as fulfilling the same primary function as public halls.

Pre-schools, marae and churches receive a rates remission of 100% of the assessed Rates INCLUDING service charges EXCEPT for a maximum of one Targeted Rate charge, set for each of water, sewerage and solid waste collection services. Any Pre-school, marae or church opting for a private solid waste collection arrangement would not pay the solid waste collection rate, and would not receive a collection service.

Not for Profit organisations, which exist exclusively or principally for the provision of emergency services, receive a rates remission of 100% of the assessed rates INCLUDING service charges EXCEPT for a maximum of one Targeted Rate charge, set for each of water, sewerage, and solid waste collection services. Any organisations, opting for a private solid waste collection arrangement will not pay the solid waste collection rates, and would not receive a collection service.

The policy does not apply to organisations operated for the purposes of profit or gain. Nor will it apply to groups and organisations who engage in community services as a secondary purpose only.

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

- a. Statement of objectives
- b. Full financial accounts
- c. Information of activities and programmes
- d. Details of membership

Community Organisations that have not previously received a remission must complete an application form for rates remission. This form must be received by Council by 30 April.

For Community Organisations that have previously received rates remission annually, an application form needs to be completed by the organisation every 3 years to confirm that the land-use remains eligible for remissions for the subsequent 3 years.

A completed application MUST be received before a rates remission can be considered. It is the responsibility of the Community organisation to notify Council of any change in circumstance in the interim period between applications.

A schedule of these Clubs, Societies and Organisations will be maintained and advised annually to Council.

The following Community Organisations are included in this policy on the basis that they are 'not-for-profit' and/or charitable organisations operating within the District for the benefit of the wider community:

- a. Te Kuiti Lyceum Club
- b. Te Kuiti Music Theatre
- c. Piopio Senior Citizens Club
- d. Piopio Scouts
- e. Te Kuiti Historical Society
- f. Te Kuiti Plunket

Council retains discretion as to whether to grant a remission in any particular case.

5.0 Remission for Organisations providing Care for the Elderly

5.1 Introduction

Council wishes to support community-based organisations that provide much needed facilities and services for the Elderly within the Waitomo District. The intent is to recognise and assist those organisations that provide specialised care for the Elderly who, in the absence of such services, may need to relocate outside of the Waitomo District, away from family and friends.

5.2 Objectives

To support those organisations that provide facilities and services that care for and enable the Elderly to reside in the Waitomo District.

To support Council's commitment for Waitomo to be a district which:

- a. values its older people;
- b. promotes their meaningful contribution to the community; and
- c. facilitates a positive ageing experience for all.

To recognise the ageing population of New Zealand and this District, Council aims to facilitate and support the provision of a range of accessible, safe and affordable housing for the elderly.

5.3 Conditions and Criteria

Organisations that demonstrate compliance with the following criteria will receive a rates remission of 100% of assessed rates EXCLUDING service charges set for Water, Sewerage and Solid Waste Collection. Any organisation opting for a private Solid Waste Collection arrangement will not pay the Solid Waste Collection Rate and would not receive a Collection Service.

This remission arrangement is available on application on a 3 yearly basis by qualifying organisations which:

- a. Are charitable organisation(s). Charitable organisations are organisations (incorporated or not) that carry out charitable activities or exist exclusively for charitable purposes. For an organisation's purposes to be charitable its activities or aims must be for public purposes - the benefit must be available to a large part of the community. In addition, it must not be carried on for the benefit or profit of any individual or group; and
- b. Provide Rest Home level of care to the Elderly. Rest Home level of care is defined as the provision of 'everyday living assistance' to the Elderly who are fully dependent on other people to assist them with everyday life (e.g. to cook, clean, shower, etc); and/or
- c. Provide Hospital Level Care for the Elderly. Hospital level care is defined as provision of palliative care type facilities, the ability to prescribe medicines as per national health standards and have the requisite number of trained nurses as per national and DHB health standards.

It is the responsibility of the Organisation to notify Council of any change in circumstance in the interim period between applications.

5.4 Piopio Retirement Trust (Inc)

In recognition of the unique situation that exists with the Piopio Retirement Village and of the invaluable role it plays within the Piopio Community, both now and for in the future, annual rate remissions as detailed below will be approved:

- a. A single pumped tank will be located at the low point near the entrance to the Village, including connection to the main sewer.
- b. The Piopio Retirement Village will receive an annual rates remission of nine service charges for Sewerage and 50% of nine service charges for Solid Waste Collection, Solid Waste Management and Water.
- c. Every three years a declaration is required from the Piopio Retirement Village confirming that the status of the Trust has not changed. It is the responsibility of the Trust to advise Council of any change in circumstance in the interim period between declarations.
- d. Council retains the right to review and/or withdraw its support to the Piopio Retirement Village at any time should circumstances change.
- e. The annual remission for the Piopio Retirement Village will form part of Council's total annual rates remission budget and it will be separately funded by way of a TUAC levied on all rateable units situated within the Piopio Township Sewerage Network and the Piopio Wider Benefit Rating Area.

6.0 Remissions for land owned by Clubs and Societies (Schedule 1, Part 2 of the Local Government Rating Act 2002, Land 50% non-rateable)

6.1 Introduction

This Policy provides remissions of rates to sport clubs and societies.

Section 8 and Schedule 1, Part 2 of the LGRA provide that certain land used or owned by a society, or an association of persons must not be assessed for rates at a value of more than 50% of the rates that would otherwise have been assessed under Council's RFP and in the Funding Impact Statement (FIS).

This land is known as 50% non-rateable.

The land for which assessed rates must not exceed 50% includes:

- a. Land owned or used by Agricultural and Pastoral Societies as a showground or place of meeting,
- b. Land used or owned by sport clubs, and
- c. Land used or owned for the purpose of any branch of the arts.

Note: 50% non-rateable land is rateable for Targeted Rates set under Sections 16 and 19 of the LGRA for water supply, sewage disposal, solid waste collection services and solid waste management services.

For the purposes of this part of this Policy, those Targeted Rates are described as Service Charges.

Council seeks to remit Service Charges set for the purpose of funding water supply, sewage disposal, solid waste collection services and solid waste management services, as defined in the RFP and in the FIS. That remission arrangement is made for land used or owned by certain societies and sports clubs.

Note: This remission arrangement does not extend to all land defined as 50% rateable under Schedule 1, Part 2, LGRA. That land remains liable for the payment of service charges as defined in the RFP and in the FIS.

The LGRA provides:

Schedule 1 Categories of non-rateable land, Part 2 Land 50% non-rateable

(2) *Land owned or used by a society or association of persons (whether incorporated or not) for games or sport, except galloping races, harness races, or greyhound races.*

For the purposes of this Part, unless the context otherwise requires-

- *land does not include land used for the private pecuniary profit of any members of the society or association*
- *land in clause 2, excludes land in respect of which a club license under the Sale of Liquor Act 1989 is for the time being in force.*

Subpart 2 – Key Provisions, 8. Non-rateable land

(2) *Rates assessed for the land described in Part 2 of Schedule 1 must not exceed 50% of the rates that would otherwise have been assessed if the land were not described in that schedule.*

6.2 Objectives

Council recognises the value of encouraging participation in active and passive recreation for the well-being of its communities. This Policy aims to support the development of sport and physical recreation in the Waitomo District by providing rates remissions for private clubs at the same level as those clubs located on and having long term tenure over Council owned land which is non-rateable under Schedule 1, Part 1 (4) of the LGRA.

6.3 Conditions and Criteria

The following policy applies to sport and recreation clubs located on either Council owned or privately owned or administered land.

Sport and recreation groups receive a rates remission of 100% of the assessed Rates INCLUDING service charges EXCEPT for a maximum of one Targeted Rate charge, set for each of water, sewerage, and solid waste collection services.

Any Club or Association opting for a private solid waste collection arrangement would not pay the solid waste collection rate, and would not receive a collection service.

This remission arrangement is available on application by qualifying societies and organisations who:

- a. Are groups identified by Schedule I Part 1(4b) and Part 2(2) of the LGRA (2002), and
- b. Demonstrate that their primary function is for the purpose of sport or physical recreation, and
- c. Are non-profit organisations, not providing recreation or fitness services for commercial profit, and
- d. Are able to demonstrate that they are currently operative, and
- e. The primary use of their facility for which they are seeking remissions is for the purpose of that organisation's sport or physical recreation activity, and
- f. Can demonstrate that their activities benefit or are available to the entire community.

Clubs or Societies that have not previously received a remission must complete the full application form for rate remission for the current rating year. This form must be received by Council by 30 April

For clubs and societies that have previously received rates remission annually, an application form needs to be completed every 3 years to confirm that the land-use remains eligible for remissions for the subsequent 3 years.

A completed application MUST be received before a rates remission can be considered. It is the responsibility of the sports and recreation club to notify Council of any change in circumstance in the interim period between applications.

A schedule of all organisations receiving remissions will be maintained annually by Council.

7.0 Remissions of Rates for Council Properties

7.1 Introduction

This section of the Policy is included for the sake of transparency. The LGRA provides that certain Council land is non-rateable. This Policy extends that non-rateable status to include any Council property which does not fall within the category of non-rateable land, but never the less the land held by Council has no current operational use that can be attributed for the day to day delivery of a service to the communities of Waitomo District.

The LGRA defines non-rateable Council land (Schedule 1, Part 1, Section 4 LGRA) as:

- (4) *Land used by a local authority-*
- (a) *for a public garden, reserve or children's playground:*
 - (c) *for a public hall, library, athenaeum, museum, art gallery or other similar institution:*
 - (d) *for public baths, swimming baths, bathhouses, or sanitary conveniences*

7.2 Objectives

To avoid the need to set, assess and collect rates funding from the District community to pay rates on Council property that is for the time-being not used for any operational purpose.

7.3 Conditions and Criteria

The Council has delegated authority to the Chief Executive to remit rates set, assessed and levied on land owned or occupied by the Council where the Chief Executive is satisfied that no operational use can be attributed to that land.

8.0 Remission of Rates on Māori Freehold Land

8.1 Introduction

This policy is prepared pursuant to Sections 102 and 108 of the Local Government Act 2002 and Section 114 of the Local Government (Rating) Act 2002. In preparing this policy Council has considered the matters set out in Schedule 11 of the Local Government Act 2002.

Māori freehold land is defined in the Local Government (Rating) Act 2002 (Section 5) as land whose beneficial ownership has been determined by the Māori Land Court by freehold order. Only land that is the subject of such an order may qualify for the remission of rates under this policy.

The Local Government (Rating) Act (LGRA) provides:

- *Maori Freehold Land is defined by the LGRA 2002 as "land whose beneficial ownership has been determined by the Maori Land Court by freehold order". Only rateable land that is the subject of such an order may qualify for remission under this policy.*

- *Maori Freehold Land is liable for rates in the same manner as if it were general land, subject to the provisions of Part 4 of the LGRA.*

Te Ture Whenua Maori Act 1993 states as its purposes:

(1) It is the intention of Parliament that the provisions of this Act shall be interpreted in a manner that best furthers the principles set out in the Preamble to this Act:

Core Principals of the Preamble to the Te Ture Whenua Act 1993:

- *To recognise that the land is taonga tuku iho (of special significance) to the Maori people;*
- *to promote the retention of that land in the hands of its owners, their whanau, their hapu;*
- *to protect waahi tapu;*
- *to facilitate the occupation, development and utilization of that land for the benefit of its owners, their whanau and their hapu; and*
- *to maintain a Court and to establish mechanisms to assist the Maori people to achieve the implementation of these principals.*

Te Tiriti o Waitangi (Treaty of Waitangi):

Shall be taken into account under the LGA and the Resource Management Act 1991.

8.2 Objectives of the Policy

This policy aims to:

- Ensure the fair and equitable collection of rates from all sectors of the community, recognising that certain Māori owned lands have particular conditions, features, ownership structures, or other circumstances that make it appropriate to provide relief from rates; and
- Implement rates remissions on Māori Freehold Land and write off of rates arrears and penalties, subject to the conditions and criteria set out in this policy.

8.3 Other Property

Māori freehold land where no body corporate has been constituted under Part XIII of the Te Ture Whenua Māori Act 1993 to administer such land and/or the whereabouts of such owner/s is unknown may be considered for Category A remissions at Council's discretion.

Other than Māori freehold land that may from time to time be exempted by an Order in Council (as provided for in Section 116 LGRA 2002), this policy does not provide for permanent remission or postponement of rates on all other Māori freehold land recognising the potential for changes in circumstance and land use.

For the purposes of this policy, rates are deemed to include penalties.

8.4 Remission categories

This policy provides three categories of remission:

1. Category A: Māori Freehold Land – Unoccupied and Unproductive Land Blocks
2. Category B: Māori Freehold Land – Occupied and productive land
3. Category C: Māori Freehold Land – Economic Use and Development

8.5 Interpretation of Terms

Term	Interpretation
Hapu:	Whanau groups descended from their own hereditary ancestor.
Indigenous flora and fauna	Plants and animals originating from New Zealand.
Māori customary land:	Land held under the customs and usages of the Māori people, the title to which has not been investigated by the Māori Land Court
Māori freehold land:	Land whose beneficial ownership has been determined by the Māori Land Court by freehold order.
Tangata Whenua:	Māori people of a particular area or as a whole as the original inhabitants of New Zealand. Māori people of the land in their tribal area.
Taonga tuku iho:	Legacy, treasure.
Unoccupied or unproductive Land:	Land will be defined as unoccupied or unproductive unless there is a person, whether with a beneficial interest in the land or not, who, alone or with others, carries out any of the following activities on the land: (a) leases the land; and/or (b) does any of the following things on the land, with the intention of making a profit or for any other benefit: <ol style="list-style-type: none"> 1. resides on the land; 2. de-pastures or maintains livestock on the land; 3. stores anything on the land; 4. beehives are located on the land; or 5. uses the land in any other way.
Waahi tapu:	Means land set apart under Section 338(1) (b) of the Te Ture Whenua Māori Act 1993 (a place of special significance according to tikanga Māori).
Whanau:	Extended family in which a person is born and socialised.

8.6 Māori Freehold Land Rates Remission Register

Council will maintain a register titled the Māori Freehold Land Rates Remission Register for the purpose of recording the rating units for which rates are remitted pursuant to this Policy. The Register will comprise of three category lists, these being:

- a. The 'Māori Freehold Land Unoccupied and Unproductive Remissions List', used to achieve objectives detailed in section 8.11.1: Category A Objectives
- b. The 'Māori Freehold Land Occupied and Productive Remissions List, used to achieve objectives detailed in section 8.12.1: Category B Objectives.
- c. The 'Māori Freehold Land Economic Use and Development Remissions List' used to achieve objectives detailed in section 8.13.1: Category C Objectives.

8.7 Applications

An annual application for rates remission under this policy must be made prior to commencement of the rating year and no later than 30 April. The application must be made on a prescribed form.

The application must be supported by sufficient supporting information to allow an informed decision to be made in respect of the application.

- a. Documentation that the land in question has been determined to be Māori Freehold Land by the Māori Land Court by way of freehold order.
- b. A copy of the Certificate of Title if available.
- c. An identified owner, agent of owner, or occupier to be recorded on the rating records pursuant to Part 4 of the Local Government (Rating) Act 2002.
- d. That the identified owner, agent of owner or occupier must provide Council with evidence that he or she has full control over the property.
- e. A copy of any agreements or licenses to operate on the land.
- f. Details of the property size and use.
- g. Aerial photographs.
- h. A description of the intended use of the land, and a statement as to how the objectives defined under this policy will be achieved by the granting of rates remission.
- i. Other documentation that Council may require to make a decision, such as historical, ancestral, cultural, archaeological, geographical or topographical information.

8.8 Duration

Remission applications approved under Category A (Māori Freehold Land Unoccupied and Unproductive Land Blocks) and Category B (Māori Freehold land occupied and productive land) will receive remission for one year. A reapplication will be required annually. The duration of remission applications approved under Category C are detailed in section 8.13.3: Extent of Remissions.

Where a remission of rates is made the obligation is on the applicant to advise any change of use that might affect the eligibility of the land for any remission.

Council will monitor on an ongoing basis the use of any Maori freehold land enjoying a rate remissions under this policy.

Note – Council will require that any rates remissions be repaid where the failure to notify Council of a change in circumstance impacts on the eligibility of the land for a rate remission.

If the status of the land changes, so that it no longer complies with the criteria, rates will commence from the following rating year.

Land shall be inspected (where road access is available) triennially to ensure that there is no occupation in terms of this policy.

8.9 Appeals

Appeals relating to decisions taken on the eligibility of Māori freehold land for rates remissions will follow the process outlined under Section 2.0 of this Policy – Delegation to Operate, Application Process and Review of Decisions.

8.10 Payment Arrangement

Where Māori Freehold land is not otherwise eligible for a remission under any section of this policy, Council may negotiate with the land owner to write off all arrears and penalties if current rates are met over a period of 5 years.

8.11 Category A: Māori Freehold Land – Unoccupied and Unproductive Land Blocks

8.11.1 Objectives

The remission of rates on Māori freehold land pursuant to Section 108 and Schedule 11, LGA 2002, and in recognition of the objectives of the Te Ture Whenua Māori Act, recognises that:

- a. There are situations where there is no occupier or person gaining economic or financial benefit from the use of, or habitation on the land.
- b. Some freehold Māori land might be better set-apart from development because of its natural features, significant vegetation and/or habitat, and cultural significance.
- c. Physical access to some Māori freehold land is not available or is not practicable.
- d. Takes into account the presence of waahi tapu that may limit the use of the land for other purposes.
- e. A remission of rates should apply to portions of land not occupied, where part of a block of land is occupied.
- f. Assessing rates against certain Māori freehold land might limit or restrict the development of an economic use of the land.

- g. Council should support the use of the land by owners for traditional purposes and the relationship of Māori and their culture and traditions with their ancestral lands.
- h. Council and the community benefit through the efficient collection of rates that are properly payable and the removal of rating debt that is considered non-collectable.

8.11.2 Conditions and Criteria

In order for a property, or part of a property to qualify for a rates remission under this Policy it must meet all of the required criteria and at least one of the optional criteria:

1. Required Criteria

A property must be both:

- a. Māori Freehold Land as defined in the LGRA 2002; and
- b. Unoccupied and unproductive as defined in section 8.2: Interpretation of Terms.

2. Optional Criteria

A property must be/have at least one of the following:

- a. The presence of waahi tapu that may affect the use of the land or other purposes;
- b. Better set aside and protected from use because of its special cultural significance and unique natural features;
- c. Better set aside and protected from use to protect the indigenous flora and fauna located on the land;
- d. A traditional and important food source for Tangata Whenua;
- e. A traditional and important source for cultural, medicinal, symbolic and spiritual needs of Tangata Whenua;
- f. Important tribal landmarks significant to Tangata Whenua;
- g. Important water catchment system to Tangata Whenua for sustaining physical and spiritual values;
- h. Accessibility issues due to:
 - the property being landlocked and/or;
 - access is legally available by paper road or easement but the road does not exist and/or;
 - a road ends or passes the property but a river, ravine, cliff or other impediment prevents practical access.
- i. In a natural and undeveloped state, and will continue to remain in such state;
- j. Prevented from being productive or used due to the size, location, lack of fencing or some other feature.

8.11.3 Extent of remissions

The remission for land recorded in the 'Māori Freehold Land Unoccupied and Unproductive Remissions List' will be 100% of all rates charged except targeted rates set for water supply, sewage disposal and solid waste collection services.

8.11.4 Applications on behalf of owners

Council staff may process applications on behalf of owners of unoccupied and unproductive Māori Freehold Land that satisfies the criteria set out in section 8.11: Category A where after due enquiry the owners of an unoccupied block cannot be found.

Decisions on these remissions are to be made directly by the Chief Executive on the recommendation of officers and may include rate remissions for 3 years on qualifying Māori freehold land for current year rates and rates arrears, including penalties.

8.12 Category B: Māori Freehold Land – Occupied and productive land

8.12.1 Objectives

The remission of rates on Māori freehold land pursuant to Section 108 and Schedule 11, LGA 2002, and in recognition of the objectives of the Te Ture Whenua Māori Act, recognises that there are situations where it might be uneconomic to recover existing rates arrears or to fully recover rates relating to land which is only partially occupied and or productive.

8.12.2 New Lessee

Where a new lessee/occupier takes over land with existing rates arrears that would not be recoverable based on previous use, the rates arrears may be remitted where the new lessee assumes payment of current and future rates from the commencement of the use or occupation.

8.12.3 Condition and Criteria

- a. A copy of the lease or proposed lease is provided with the application for remission.
- b. There is a commitment to pay the current and future rates for a minimum period of two years detailed in the lease document.

8.12.4 Dwellings on Māori Freehold Land

Where there is one or more dwelling/s on the land, Council may establish and identify separately used or inhabited parts of the rating unit. The separately used or inhabited portion of the rating unit will be defined based on the area occupied, and/or the area unproductive and unoccupied as identified by the owner/s and confirmed by Council.

Rates charged on the separately used or inhabited portion of the property will remain payable.

8.12.5 Beehives on Māori Freehold Land

Where there are beehives located on the land for the purposes of harvesting honey, Council may establish and identify separately used or inhabited parts of the rating unit. The separately used or inhabited portion of the rating unit will be defined based on the area in use for the purposes of harvesting honey, and/or the area unproductive and unoccupied as identified by the owner/s and confirmed by Council.

Rates charged on the separately used or inhabited portion of the property will remain payable.

8.13 Category C: Māori Freehold Land – Economic Use and Development

8.13.1 Objectives

The remission of rates on Māori freehold land pursuant to Section 108 and Schedule 11, LGA 2002, and in recognition of the objectives of the Te Ture Whenua Māori Act 1993, recognises that assessing rates against certain Māori Freehold Land might limit or restrict the development of an economic use of the land.

The objective for remission under this category is to provide an incentive to assist the conversion of otherwise unoccupied or unproductive Māori freehold land, to an economic use through a progressive stepped application of a full liability for the payment of rates, over a five year period.

8.13.2 Conditions and Criteria

Where there is an intention to make economic use of the land, or a clear intent to progressively develop the economic use of the land over time, Council will enter into a remission of rates arrangement with the Trustees/Owner(s) or Occupier(s) where the Council is satisfied such an arrangement will encourage economic use through development over time.

In addition to the information required under section 8.7: Applications, of this policy, applicants must also provide:

- a. A written plan setting out the planned economic use of the land or the planned economic development against a five year timeline prepared by a suitable person holding authority over the land and responsible for the planned use.
- b. Any other documentation that the Council may require to make an assessment.

8.13.3 Extent of remissions

At Council's discretion during the annual review and/or with negotiations with the land owner/s or trustees, a staged rates requirement will be implemented according to the following schedule:

Year 1	Not less than 20% payable for that year
Year 2	Not less than 40% payable for that year
Year 3	Not less than 60% payable for that year
Year 4	Not less than 80% payable for that year
Year 5	100% payable for that year.

No remission will be granted on Targeted Rates for water supply, sewage disposal, and solid waste collection services.

9.0 Remission of Penalties

9.1 Introduction

This Policy outlines Council's process and criteria for the remission of penalties incurred by way of late or non-payment of rates, in accordance with Section 85 of the Local Government (Rating) Act 2002. Penalties are incurred for late or non-payment of rates in accordance with the amount set in Council's Funding Impact Statement.

9.2 Objective

To disclose the circumstances under which Council will consider remitting penalty payments for late or non-payment of rates.

9.3 Conditions and Criteria

Remissions for late or non-payment of rates will be considered on the following grounds:

Circumstance	Policy and Criteria	Delegation										
Extenuating circumstances	<p>Remission of a penalty incurred on an instalment will be considered in the following circumstances:</p> <ul style="list-style-type: none"> The ratepayer has a good payment history. Extenuating personal circumstances such as family illness, death or other tragedy. In circumstances considered just and equitable. Where there is an error made on the part of Council. 	<p>Manager - Customer Services or Group Manager Customer Services</p>										
Approved Payment Arrangement (Includes time to pay arrangements and lump sum arrangements)	<p>Penalties will not be levied where an Approved Payment Arrangement of a minimum amount has been made based on the arrears total as follows:.</p> <table border="1"> <thead> <tr> <th>Arrears total</th> <th>Minimum amount</th> </tr> </thead> <tbody> <tr> <td>0 - \$5,000</td> <td>Payment Arrangement of 1.25 times the Annual Rates</td> </tr> <tr> <td>\$5,001 - \$10,000</td> <td>Payment Arrangement of 1.5 times the Annual Rates</td> </tr> <tr> <td>\$10,001 - \$20,000</td> <td>Payment Arrangement of 2 times the Annual Rates</td> </tr> <tr> <td>Over \$20,000</td> <td>A Lump Sum payment is required to bring the balance to less than \$20,000 and then a payment arrangement of 2 times the Annual Rates</td> </tr> </tbody> </table>	Arrears total	Minimum amount	0 - \$5,000	Payment Arrangement of 1.25 times the Annual Rates	\$5,001 - \$10,000	Payment Arrangement of 1.5 times the Annual Rates	\$10,001 - \$20,000	Payment Arrangement of 2 times the Annual Rates	Over \$20,000	A Lump Sum payment is required to bring the balance to less than \$20,000 and then a payment arrangement of 2 times the Annual Rates	<p>Sub-Committee (CEO & Group Manager- Corporate Services)</p>
	Arrears total	Minimum amount										
	0 - \$5,000	Payment Arrangement of 1.25 times the Annual Rates										
\$5,001 - \$10,000	Payment Arrangement of 1.5 times the Annual Rates											
\$10,001 - \$20,000	Payment Arrangement of 2 times the Annual Rates											
Over \$20,000	A Lump Sum payment is required to bring the balance to less than \$20,000 and then a payment arrangement of 2 times the Annual Rates											
<p>Current and historic penalties will be remitted where all rates have been paid in full under an approved payment arrangement.</p>	<p>Sub-Committee (CEO & Group Manager- Corporate Services)</p>											
<p>Council will consider remitting penalties that are already levied or yet to be incurred for remissions on a case by case basis.</p>												

Circumstance	Policy and Criteria	Delegation
Penalties associated with remissions	Penalties will not be levied where all or a portion of the rates assessed have been remitted under another part of the policy.	Sub-Committee (CEO & Group Manager- Corporate Services)

- a. Penalties will only be remitted on written application of the ratepayer and provided that no previous penalties have been remitted within the past two rating years. In the case of penalties remitted due to Council error, applications will be completed by Council Staff.
- b. To be eligible for these remissions, Ratepayers must use direct debit payment, unless there are exceptional circumstances preventing this.
- c. All penalties remitted shall be recorded in the Penalty Remission Register, where the amount remitted is over \$10 for any individual ratepayer.

10.0 Remission of Rates and/or penalties following a rating sale or abandoned land sale

10.1 Introduction

To provide rates remission of rates arrears and penalties where a rating unit comes under new ownership as the consequence of either a rating sale or lease under sections 67 through to section 76 or sale of abandoned land as per sections 77 through to 83 of the Local Government Rating Act (2002).

10.2 Objective

To ensure that any remaining arrears or penalties following sale of abandoned land, or rating sale or lease, will be written off to ensure that the new owner begins with a nil balance.

10.3 Conditions and Criteria

- a. Any debt outstanding on a rating unit after application of proceeds from a rating sale or lease may be remitted following application by Council Staff.
- b. Any debt outstanding on a rating unit after application of proceeds from the sale of abandoned land may be remitted following application by Council Staff.
- c. Where any rating unit meets the definition of abandoned land as prescribed in section 77(1) of the LGRA and that land is unable to be sold using the authority provided to Council in sections 77-83 of the LGRA, then all rates may be remitted on an annual basis by application of Council staff.

11.0 Remission of Rates for New Residential Subdivisions

11.1 Introduction

Council wishes to assist the establishment of new residential subdivisions by providing temporary rates relief from UAGCs assessed against individual vacant lots prior to sale. The Policy provides for the remission of uniform charges for the first full year following subdivision for residential use of 3 vacant lots or more. In that situation multiple lots will be treated as one rating unit. Application of remissions for one full rating year following subdivision provides incentive to sell as intended, but recognises that a full year may be required to achieve the developer's aim.

11.2 Objective

To provide a one-off remission of rates assessed against land held in separate title and forming part of a new residential subdivision so as to limit the impact of multiple UAGCs in the first year.

To encourage development within Waitomo District by providing a one off remission to the subdivider or developer of any UAGC assessed against the newly created lot(s).

11.3 Conditions and Criteria

This Policy will apply to land that:

- a. Has been subdivided into 3 or more vacant residential lots where the Titles have been issued; and
- b. The unsold lots remain in the ownership of the original subdivider/developer and the land has yet to be sold on to subsequent purchasers.

A remission will be made for 100% of the UAGC for each unsold vacant residential lot, except one.

The remission will only be made for the first full rating year following the creation of the new residential lots following subdivision.

12.0 Remission of Rates in Cases of Financial Hardship

12.1 Introduction

Where an application for rates relief due to financial hardship is received, Council may remit all or part of rates relating to a rating unit.

Applications on the grounds of financial hardship are considered only when exceptional financial circumstances exist.

Approved remissions are therefore a result of an extraordinary situation and should be recognised as an exception from the ratepayer's legal obligation to pay rates.

12.2 Objective

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

12.3 Residential Rating Units

12.3.1 Conditions and Criteria

- a. Preference will be given to rating units used solely for residential purposes (as defined by Council) when consideration is made for rates remission in cases of financial hardship.
- b. A ratepayer making an application must be the registered owner and occupier and have owned for not less than 5 years the property in respect of which rates relief is sought.
- c. A ratepayer making an application must not own any other rating units or investment properties (whether in the district or in another district).
- d. The ratepayer must supply sufficient evidence, including financial statements, to satisfy the Council that extreme financial hardship exists.
- e. When considering an application, the ratepayer's personal circumstances will be relevant such as age, physical or mental ability, injury, illness and family circumstances.
- f. Before approving an application, Council must be satisfied that the ratepayer is unlikely to have sufficient funds left over, after making 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.
- g. Council will consider, on a case by case basis, applications received that meet the criteria described in the first six paragraphs under this Policy.
- h. An application for remission on the grounds of financial hardship can be lodged in any year that such hardship exists.
- i. It is expected that the ratepayer will pay a minimum of the value of the Uniform Annual General Charge per annum towards his/her rates account. However, each case will be considered on its merits.
- j. If the applicant is eligible for a Rates Rebate then such application must be made at the time of applying for rates relief due to financial hardship.

The Chief Executive is delegated authority to decline an application or remit rates, including arrears, of up to \$2,000 in any one case.

The Chief Executive will provide Council with a regular monitoring report on all applications received for a hardship rates remission, and the decisions made.

12.4 Not for Profit Community Organisations

12.4.1 Introduction

Where an application for rates relief due to financial hardship is received from a Not for Profit Community Organisation, Council may remit all or part of rates relating to a rating unit.

Applications on the grounds of financial hardship are considered only when exceptional financial circumstances exist.

Approved remissions are therefore a result of an extraordinary situation and should be recognised as an exception from the organisations legal obligation to pay rates.

12.4.2 Objective

The objective of this policy is to assist Not for Profit Community Organisations experiencing extreme financial hardship which affects their ability to pay rates.

12.4.3 Conditions and Criteria

This category provides rates relief for not for profit Community Organisations in cases of Financial Hardship.

- a. The organisation must supply sufficient evidence, including financial statements, to satisfy the Council that extreme financial hardship exists.
- b. The organisation must provide sufficient evidence on how it plans to meet their rating commitment going forward.
- c. An application for remission on the grounds of financial hardship must be lodged annually. The remission is only available for a maximum of two years.
- d. Remission is not available for service charges relating to water, sewerage and solid waste collection. The Chief Executive is delegated authority to decline an application or remit rates, including arrears, of up to \$2,000 in any one case.

The Chief Executive will provide Council with a regular monitoring report on all applications received for a hardship rates remission, and the decisions made.

Council will consider, on a case by case basis, applications received that meet the criteria described in this section of the Policy.

13.0 Remission of Rates in Cases of Land Affected by Natural Calamity

13.1 Introduction

Rates remission is available for properties that have been detrimentally affected by erosion, subsidence, submersion, earthquake or other calamity are considered. Approved remissions are therefore a result of an extraordinary situation and should be recognised as an exception from the ratepayer's legal obligation to pay rates.

Where an application for rates due to land effected by natural calamity is received Council may remit all or part of the rates relating to a rating unit.

13.2 Objective

The objective of this policy is to assist ratepayers affected by events outside of their control which effects their ability to use any rating unit owned by them that is the consequence of a natural calamity.

13.3 Conditions and Criteria

- a. Application is made by the ratepayer within 3 months of the event.
- b. The rating unit is unusable or uninhabitable as a result of the calamity.
- c. Onus is on the ratepayer to advise WDC if the use of the property has not been restored, and to apply for remission by the 30th April prior to the commencement of the rating year for which remission is sought.
- d. All applications must be in writing and supported by documentary evidence as to the extent of the damage.
- e. The amount of the remission is at the discretion of the CEO and will be considered on a case by case basis.
- f. In the event of the rating unit being permanently eroded and where the rating unit now forms part of the coastal marine area, the council may grant permanent remission of all rates and penalties charged in the financial year in which the event occurred and the years following the event.
- g. In the ratepayers absence council staff may apply remissions in their absence on a permanent basis.

14.0 Remission of Rates for New Businesses

14.1 Introduction

Rates remission may be granted to a new business where that business supports community development and productivity and provides goods and services within the community.

14.2 Objective

To promote employment and economic development within the District by assisting new businesses.

14.3 Conditions and Criteria

- a. Remission of rates is available to commercial and/ or industrial development that involves the construction, erection or alteration of any building or buildings, fixed plant and machinery, or other works intended to be used for industrial, commercial or administrative purposes.
- b. Residential developments will not qualify for remission.
- c. Remission of rates is available to new businesses or new development established within the past 12 months.
- d. Applications must be made in writing and supported by:
 - A description of the development
 - A plan of the development (where possible)
 - An estimate of costs
 - An estimate of the likely number of jobs to be created
- e. In considering applications for the remission under this part of the policy the Council will have regard to the following:
 - The development is of importance for the future economic development of the District as demonstrated by the scale, type or nature of the development.
 - The number of new employment opportunities the business/ development will create. Generally, development would be expected to create a minimum of one new full time equivalent jobs.
 - The amount of new capital investment the development/ business will bring into the District.
 - For avoidance of doubt a small new business with at least one employee would also be considered eligible.
 - The business demonstrates a long-term commitment to remain and operate in the District. Property ownership or a long-term lease of the property may be accepted as proof of commitment.
 - The development protects or retains cultural aspects of the district e.g. maintains and protects a heritage building. The development adds improved, new and/ or visibly attractive infrastructure or buildings to the District where it would be commercially otherwise unviable to do so.

All applications will be assessed on a case by case basis under the authority of the CE and are subject to a threshold remission of 50% of rates assessed for a maximum duration of one year. The remission excludes services charges for water, sewerage and solid waste collection services.