

Rates Remission Policy

This policy is prepared under section 102 and 109 of the Local Government Act 2002.

Remissions for rates are available for the following:

- 1) Financial hardship
- 2) Properties affected by natural calamity
- 3) Community, sporting and other organisations
- 4) Penalties
- 5) Uniform charges on non-contiguous rating units owned by the same owner
- 6) Rates on properties protected for natural, historic or cultural conservation purposes
- 7) Remission of the targeted rate for Council's kerbside recycling and food scraps collection service
- 8) Miscellaneous remission

Definitions

Rates means a general rate, a targeted rate or a uniform annual general charge set in accordance with the Local Government (Rating) Act 2002 and includes a penalty added to a rate.

Remission means a reduction to the amount of rates to be paid.

Remitted Rates means rates for which the requirement to pay is reduced.

Delegated Responsibility

The Council may delegate authority to approve applications for rates remissions under this policy to particular officers.

Preamble to the Te Ture Whenua Māori Act (1993)

Under s102(3A) of the Local Government Act 2002, Council's Rates Remission Policy must support the principles set out in the Preamble to the Te Ture Whenua Māori Act (1993). These principles promote the retention of Māori land in the hands of its owners, their whanau, and their hapu. In context Māori land includes:

- Māori freehold land; or
- General land held in collective Māori ownership, i.e. this land is the same in nature as Māori freehold land but has not been registered with the Māori Land Court.

Council has a separate policy for rates remission and postponement of rates on Māori land (Policy on the Remission and Postponement of Rates on Māori Freehold Land). Council's Rates Remission Policy is consistent with this other Policy.

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1) Financial hardship

Objective

The objective of this part of the policy is to assist personal ratepayers experiencing financial circumstances that affect their ability to pay rates.

Conditions and criteria

Only rating units used solely for residential purposes (as defined by Council) will be eligible for consideration for rates remission for financial hardship.

Only the person entered as the ratepayer, or their authorised agent, may make an application for rates remission for extreme financial circumstances. The ratepayer must be the current owner of the rating unit that is the subject of the application. The person entered on the Council's rating information database as the "ratepayer" must not own any other rating units or investment properties (whether in the district or in another district).

The ratepayer (or authorised agent) must make an application to Council on the prescribed form (copies can be obtained from the Council offices).

The Council will consider, on a case-by-case basis, all applications received that meet the criteria described in the first two paragraphs under this section, Conditions and criteria. Where the Council is satisfied that the hardship is such that it would be better to write off a portion of the rate, rather than postpone payment, it can be done. For remission to be applied, the hardship will be more severe than would apply for postponement.

When considering whether financial hardship exists, all of the ratepayer's personal circumstances will be relevant including the following factors: age, physical or mental disability, injury, illness and family circumstances.

Before approving an application, the Council must be satisfied that the ratepayer will not have sufficient funds left over, after the payment of rates, for normal health care, proper provision for maintenance of his/her home and chattels at an adequate standard as well as making provision for normal day-to-day living expenses.

Where the Council decides to remit rates, the ratepayer must first make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments.

Even if rates are remitted, as a general rule the ratepayer will be required to pay 50% of the rate account.

The policy will apply from the beginning of the rating year in which the application is made although the Council may consider backdating past the rating year in which the application is made, depending on the circumstances.

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2) Remission for properties affected by natural calamity

Objective

To assist ratepayers who are suffering hardship due to the effects of a natural disaster or calamity.

Conditions and criteria

Only the person entered as the ratepayer, or their authorised agent, may make an application for rates remission for extreme financial circumstances. The ratepayer must be the current owner of the rating unit that is the subject of the application.

The property must have been detrimentally affected by erosion, subsidence, submersion or other natural calamity. The effect does not need to be directly to the property but may have some impact on the use or revenue earning potential of the property.

The Council will consider, on a case-by-case basis, applications for remission. Where the Council is satisfied that the hardship is such that it would be better to write off a portion of the rate, rather than postpone payment, it can be done. For remission to be applied, the hardship will be more severe than would apply for postponement. Council may choose to remit rates for properties, without application, where it is aware of the impacts of a natural calamity and determines it is reasonable in the circumstances to do so.

3) Remissions for community, sporting and other organisations

Objective

To facilitate the ongoing provision of non-commercial (business), community services and non-commercial (business) recreational opportunities for the residents of Whanganui 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 and economically disadvantaged people.

Conditions and criteria

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

The policy does not apply to organisations operated for private pecuniary profit, or which charge fees of any kind.

The policy will also 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, or who engage in recreational, sporting or community services as a secondary purpose only.

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

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

- 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 the Council as meeting the relevant criteria.

No remission will be granted on targeted rates for water supply, sewage disposal or stormwater disposal.

4) Remission of penalties

Objective

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

Conditions and criteria

Remission of one penalty will be considered in any one rating year where the ratepayer can provide evidence that that the payment has been late due to significant family disruption. Remission will be considered in the case of death, illness or accident of a family member. Each application will be considered on its merits.

Remission of penalty may also be considered where a council action or inaction would make it unfair to charge the full penalty. Each application will be considered on its merits.

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5) Remission of uniform charges on non-contiguous rating units owned by the same owner

Objective

To provide for relief from uniform charges for rural land which is non-contiguous, farmed as a single entity and owned by the same ratepayer.

Conditions and criteria

Rating units that meet the criteria under this policy may qualify for a remission of uniform annual general charges and any targeted rate set on the basis of a fixed dollar charge per rating unit. The ratepayer will remain liable for at least one set of each type of charge.

The rating units on which remission is granted must be owned by the same ratepayer and must each be classified as "rural" for differential purposes.

Only one of the units may have any residential dwelling situated on the rating unit.

Ratepayers wishing to claim a remission should make an application on the required form (available from the Council offices).

6) Remission of rates on properties protected for natural, historic or cultural conservation purposes

Objective

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

This policy will support the provisions of the Whanganui District Plan.

Conditions and criteria

Ratepayers who own rating units which are identified at Appendix A (Heritage Items) of the Whanganui District Plan may qualify for remission of rates under this part of the policy.

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. In considering any application for remission of rates under this part of the policy, the Council will consider the following criteria:

- the extent to which the preservation of natural, cultural or historic heritage will be promoted by granting remission of rates on the rating unit;
- the degree to which features of natural, cultural or historic heritage are present on the land;

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- the degree to which features of natural, cultural or historic heritage inhibit the economic utilisation of the land;
- the extent to which the preservation of natural, cultural or historic heritage will be promoted by granting remission of rates on the rating unit.

Council will decide what amount of rates will be remitted on a case-by-case basis subject to a maximum amount of 33 per cent of rates owing per year.

In granting remissions under this part of the policy, the 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 breached.

7) Remission of the targeted rate for Council's kerbside recycling and food scraps service

Objective

The objective of this part of the remissions policy is to support the Waste Bylaw to enable owners' of multi-unit developments to provide an alternative plan for disposing of household recycling and food scraps to that supplied by Council.

Conditions and criteria

Full or part remission of the targeted rate for Council's kerbside recycling and food scraps collection service will be considered where Council approval has been granted to owners' of multi-unit developments in providing an alternative plan for disposing of household recycling and food scraps.

Where approved, remissions will be granted for the term of the alternative waste disposal plan.

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8) Miscellaneous remission

Objective

The policy enables us to remit (reduce) property rates in circumstances that are not specifically covered by the other criteria set out in this policy, but where we consider it appropriate to do so.

Conditions and criteria

We may remit rates on a rating unit where we consider it equitable to do so because:

- There are special circumstances in relation to the rating unit, or the amount of rates (or a particular rate) assessed for the rating unit
- The circumstances of the rating unit or the ratepayer are comparable to those where a remission may be granted under the council's other property rates remission policies, but are not actually covered by any of those policies
- There are exceptional circumstances where we believe it is equitable to remit the property rates
- The circumstances are deemed to be significantly more severe than would apply for postponement. The Council must be satisfied that the circumstance or hardship is such that it would be better to write off a portion of the rate, rather than postpone payment.

Applications must be made in writing and should include:

- Detailed information explaining how the property meets the conditions and criteria under this policy
- A daytime contact phone number so we can contact you if we need more information
- All relevant contractual arrangements and financial documents

The Council will consider, on a case-by-case basis, all applications received against the conditions and criteria described in the first paragraph under this section, Conditions and criteria.

Council has final discretion to decide whether to grant a property rates remission under the policy. Even if rates are remitted, as a general rule the ratepayer will be required to pay at least 50% of the rate account.

Only the person entered on the Rating Information Database (RID) as the ratepayer, or their authorised agent, may make an application for rates remission for a property.