

Rates Remission Policy

Remission of Rates

This policy is prepared pursuant to Section 109 of the Local Government Act 2002.

Section 85 of the Local Government (Rating) Act 2002 states a Council can remit all or part of the rates if a Remission policy has been adopted and notice to the ratepayers is given.

The policy includes :

- The objectives sought to be achieved by remission of rates ; and
- Conditions and criteria to be met in order for rates to be remitted.
- The policy may be amended or revoked by using the Special Consultative Procedure.
- For the purposes of Rates Remissions Rates includes penalties payable on unpaid rates.
- Remissions for Community, Sporting and Other Organisations

Objective

This policy is intended to facilitate the ongoing provision of non-commercial community services and recreational opportunities for the residents of Otorohanga District. The purpose of granting rates remission to an organisation is to:

- Assist the continued existence of non-profit organisations.
- Make membership of the organisation more accessible to the general public.

Conditions and Criteria

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

The policy does not apply to any body (including a society, associated organisation, whether incorporated or not) that is carried on for the purpose of profit or gain.

The policy does not apply to groups or organisations who engage in recreational, sporting or community services as a secondary purposes only.

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

- Statement of Objectives
- Full financial statements
- Information on planned activities and programmes
- Details of membership

All remissions made under this policy will be confirmed by Otorohanga District Council in open meeting.

Annual remissions of 50% will be applied to those societies and associations who qualify for the 50% non rateable category under Schedule 1, Part 2 of the Local Government (Rating) Act 2002.

All other community and sporting organisations fitting the criteria stated in this policy will receive due consideration for the remission of all or part of their rates.

Remission relating to Covenanted Land

Objective

To provide for relief for land where an open-space covenant under Section 22 of the Queen Elizabeth the Second National Trust Act 1977 has been registered against the title of a property.

To provide relief for land where a covenant or consent notice is registered on the title to the land to secure an appropriate interest in perpetuity for conservation purposes under the Resource Management Act 1991.

Conditions and Criteria

The Local Government (Rating) Act 2002 provides for land owned or used by the QE2 National Trust to be non-rateable. Where the land to which the covenant relates remains in the ownership of the ratepayer, the covenanted land will be eligible for a remission of rates. Where a covenant or consent notice under the Resource Management Act 1991 as described in the objective above is registered, the covenanted land will be eligible for a remission of rates.

The remission applied will be 100% of all rates other than targeted rates for water supply or sewage disposal.

Remission of Penalties

Objective




The objective is to provide a fair and equitable mechanism for remission of penalties on rates where circumstances are reasonable to do so.

Conditions and Criteria





This part of the policy relates to penalties on unpaid current rates and unpaid arrears of rates.

All applications for remission of penalty are to be in writing. Applications will be considered at a meeting of the Council.

UNLESS

-  The payment is clearly postmarked before penalty date.
-  The rates are paid in equal instalments between 1 August and 31 May of the rating year.
-  An error has been made by the Council.

The Chief Executive and/ or Finance and Administration Manager be authorised to remit penalty where:

-  There has been a death, illness or injury (requiring hospitalisation) which has resulted in late payment.
-  It is established that the ratepayer does not have a record of late payment during the previous 6 years and pays the rates instalment in full in the 2 weeks following penalty date.
-  Where it is considered the circumstances are appropriate and the penalty is less than \$100.
-  There is a long term rate arrears problem and the remission of the penalty will assist to resolve the problem.

Remission of Wastewater Charges to Schools

Objective

To provide relief and assistance to educational establishments in paying wastewater charges.

Conditions and Criteria




The policy will apply to educational establishments as defined in Schedule 1 Part 1 clause 6 (a-b) of the Local Government (Rating) Act 2002.

The policy does not apply to school houses or any part of a school used for residential purposes.

Wastewater charges for schools will be calculated as follows :

Staff plus pupils/ 20 = number of pans

The wastewater charge for the educational establishment will be charged at:

-  100% for the first four pan charges then
-  The fifth to tenth pan charges will be discounted to 75% and
-  All pan charges exceeding ten will be discounted to 50%.

The student numbers is the number of students on the roll on March 1 in the year immediately before the year in which the charge relates.

The number of staff is the number of full time equivalent and administration staff employed on 1 March immediately before the year in which the charge relates.

The policy applies to all Wastewater charges including Uniform Targeted Rates and targeted rates for debt servicing.



Rates Remission for a Rating Unit affected by Calamity

Objective

The objective of this remission policy is to permit the Council to remit part or whole of the rates charged in any financial year on any land that has been detrimentally affected by erosion, subsidence, submersion, or other calamity.

Conditions and Criteria

The Council may remit the rates charged on a rating unit if :

-  Land is detrimentally affected by erosion, subsidence, submersion, or other natural calamity or
-  The land is unable to support the activity which it was used prior to the calamity. For example a residence or commercial building that is unable to be occupied as a result of a calamity.

Rates remissions will only be considered and made following the receipt of an application by a qualifying property to the financial year in which the application was received. There will be no backdating of rates remissions.

Rates remissions (for part or all) may be applied to all rates charged on the qualifying properties.

Remission of charges on contiguous properties




Definition of Contiguous :

Sharing an edge or boundary ; touching ; or separated only by a road, railway, drain, water race, river or stream.

All ratepayers will pay at least one set of targeted rates. A set of targeted rates refers to the Uniform Annual General Charge and all Uniform Targeted rates with the exception of targeted rates levied for Refuse, Water and Sewerage.

Objective

This policy provides for the remissions of rates where two or more sets of targeted rates are set on rating units that are :



-  Contiguous and
-  Owned or occupied by the same person or persons and
-  Used jointly for a single residential or farming use

Conditions and Criteria

The rating unit must be contiguous

The policy applies to ratepayers who are recorded as ratepayers of two or more separate rating units. Each rating unit will attract a set of targeted rates.

The rating unit must :

-  In the case of an urban property, be owned by the same ratepayer/s who use the rating units jointly as a single residential property, or
-  In the case of a rural property, be separately occupied by the same ratepayer/s who uses the rating units jointly as a single purpose.

The Council may on written application from a ratepayer of such rating units reduce or cancel any targeted rates set on the rating units if it considers it to be fair and reasonable to do so.

Remissions for new subdivisions

A remission of the Uniform Annual General Charge and Targeted Rates may be remitted for the second and subsequent lots of a new subdivision as long as the lots remain unsold and unoccupied.

Objective

To facilitate subdivision development in the Otorohanga District.

Conditions and Criteria

The subdivided new lots must be unsold and unoccupied.

Rates remission will apply to the second and subsequent lots of the subdivision.