



WEAVING THE
FUTURE, TOGETHER
KOTAHITANGA
ŌTOROHANGA DISTRICT COUNCIL

RATES REMISSION ON MĀORI FREEHOLD LAND POLICY

ŌTOROHANGA DISTRICT COUNCIL

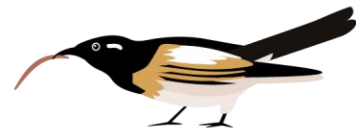


Te Kaunihera ā-Rohe o
Ōtorohanga
District Council
Where kiwi can fly



APPROVAL AND REVIEW	DETAILS
Approval authority:	Council, CEO
Administrator:	
Effective date:	1 July 2024
Next review date:	30 June 2030 or earlier as required





PURPOSE

This policy aims to ensure the fair and equitable collection of rates from all sectors of the community while recognising that certain Māori owned lands have particular conditions, features, ownership structures or other circumstances that make it appropriate to provide relief from rates.

OBJECTIVES

The remission of rates on Māori freehold land is to:

- Recognise situations where a person has effectively inherited rates arrears from a deceased owner.
- Recognise where multiple rating units of Māori freehold land should be treated as one for the purpose of calculating rates if they are used as one economic unit.
- Recognise where multiple homes on a rating unit of Māori freehold land should have separate rate accounts if the owner requests, which will enable owners to access rates rebates.
- Recognise situations where there is no occupier or person gaining an economic or financial benefit from the land.
- Encourage the setting aside of land that is better set aside for non-use because of its natural features (whenua rāhui).
- Recognise matters related to the physical accessibility of the land.
- Recognise and take account of the presence of wāhi tapu that may affect the use of the land for other purposes.
- Grant remission for the portion of land not occupied where part only of a block is occupied.
- Facilitate the development or use of the land where the Council considers rates based on land value make the use of the land uneconomic.
- Recognise and take account of the importance of land in providing economic and infrastructure support for marae and associated papakāinga housing.
 - Recognise and take into account the importance of the land for community goals relating to: The preservation of the natural character of the coastal environment.
 - The protection of outstanding natural features.
 - The protection of significant indigenous vegetation and significant habitat of indigenous fauna.

It should be noted that there are a number of different types of Māori freehold land that are categorized as non-rateable under the Local Government (Rating) Act 2002. Some examples include:

- Land that is set apart under section 338 of the Te Ture Whenua Māori Act 1993
- Māori freehold land on which a Meeting House is erected.

LEGISLATION

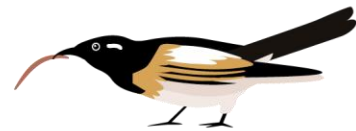
- Section 102(1) and (2) of the Local Government Act 2002 (the LGA) provides that Te Kaunihera o Ōtorohanga (the Council) must adopt a policy on the remission and postponement of rates on Māori freehold land (the policy).
- Section 102(3A) of the LGA provides that the Council must support the principles set out in the preamble to Te Ture Whenua Māori Act 1993.
- Section 108 of the LGA provides what the policy must contain.
- Section 114 of the Local Government (Rating) Act 2002 provides that the council may remit all or part of the rates (including penalties for unpaid rates) on Māori freehold land if its policy includes provision for the remission of rates and is satisfied that the conditions and criteria in the policy have been met.





- Section 108(4A) of the LGA provides that this policy must be reviewed every six years.





PREAMBLE TO TE TURE WHENUA MĀORI ACT 1993

Whereas the Treaty of Waitangi established the special relationship between the Māori people and the Crown: And whereas it is desirable that the spirit of the exchange of kawanatanga for the protection of rangatiratanga embodied in Te Tiriti o Waitangi be reaffirmed: And whereas it is desirable to recognise that land is a taonga tuku iho of special significance to Māori people and, for that reason, to promote the retention of the land in the hands of its owners, their whanau, and their hapu, and to protect wāhi tapu: and to facilitate the occupation, development, and utilisation of that land for the benefit of its owners, their whanau, and their hapū: And whereas it is desirable to maintain a court and to establish mechanisms to assist the Māori people to achieve the implementation of these principles.

CONDITIONS AND CRITERIA

The Council will maintain a register titled the Māori Land Rates Relief Register for the purpose of recording properties on which it has agreed to remit rates under this policy. The Register will comprise two category lists:

- The Māori Land General Remissions List; and
- The Māori Land Economic Adjustment Remissions List

Owners or trustees making application should include the following information in their applications:

- Details of the property
- The objectives that will be achieved by providing a remission; and
- Documentation that proves the land, which is the subject of the application, is Māori freehold land.

The Council may, at its discretion, add properties to the lists. Relief, and the extent thereof, is at the sole discretion of the Council and may be cancelled or reduced at any time.

MĀORI LAND GENERAL REMISSIONS LIST

The Council will consider remission of rates on land that comes within the following criteria:

- The land is:
 - Unoccupied and no income is derived from the use or occupation of that land; or
 - Better set aside for non-use (whenua rāhui) because of its natural features; or
 - Inaccessible and unoccupied; or
 - Occupied only in part.
- Whether the land qualifies for the statutory remission of rates for Māori freehold land under section 114 of the Local Government (Rating) Act 2002.
- Whether rates should be remitted because a person has effectively inherited rates from a deceased owner.

MĀORI LAND ECONOMIC ADJUSTMENT REMISSIONS LIST

OBJECTIVE

Council recognises that there is a need to incentivise economic development on Māori freehold land. Enabling and incentivising Māori Freehold economic development through the remission of rates may see direct economic and social benefits to landowners generating a return on the land, as well as to Council from future rates contributions, as the venture grows and becomes sustainable.

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.

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 Trustee/ Owner(s) or Occupier(s) where the Council is satisfied such an arrangement will encourage economic use through development over time.

Applicants must 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.

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.

POSTPONEMENT OF RATES

Council's policy does not provide for the postponement of rates on Māori freehold land, as security cannot be taken against Māori freehold land for postponed rates. Council will remit rates where it considers rates relief is appropriate, as set out in this policy.

