



SOUTH WAIRARAPA  
DISTRICT COUNCIL  
*Kia Reretahi Tātau*

# Remission of Rates Policy

Date of Approval	29 June 2011
Policy Number	M900
Revised	30 June 2021
Next Review	30 June 2024

# Remission of Rates Policy

## 1. Introduction

In order to allow rate relief where it is considered fair and reasonable to do so, the Council is required to adopt policies specifying the circumstances under which rates will be considered for remission. There are various types of remission, and the circumstances under which a remission will be considered for each type may be different. The conditions and criteria relating to each type of remission are therefore set out separately in the following pages, together with the objectives of the policy.

## 2. Remission of Penalty Rates

### 2.1. Objectives

- » To enable Council to act fairly and reasonably in its consideration of rates which have not been received by the due date.
- » To provide relief and assistance to those ratepayers experiencing financial hardship.
- » To encourage an efficient payment regime, recognising the significant benefits accruing by ratepayers using the direct debit payment system.

### 2.2. Criteria and Conditions

Council will consider each application on its merit and remission may be granted where it is considered that the application meets the following criteria and conditions.

### 2.3. Conditions and Criteria

- » Council will remit penalty rates where it is demonstrated that penalty rates have been levied due to an error by Council.
- » Remission of one penalty will be considered in any one rating year where payment had been late due to significant family disruption. Significant family disruption is likely to be the ratepayer, or a member of the household being affected by serious illness, serious accident, hospitalisation or death.
- » Remission of penalty may be granted if the ratepayer is able to provide evidence the late payment has resulted from matters outside their control. Applications under these criteria will only be accepted if the ratepayer has a history of regular payments of rates and has not incurred penalty rates in the previous two years.
- » Remission of penalty rates will be considered for those ratepayers who due to financial hardship, are in arrears and who have entered into an agreement with Council to repay all outstanding and current rates. This repayment scheme will generally be up to a period of 12 months. Penalty rates remission will not be considered if the agreement plan is not being adhered to, or a prior repayment scheme has not been adhered to.

- » Remission will be considered if a new owner receives penalty rates through the late issuing of a sale notice, a wrong address on the sale notice or late clearance of payment by the Solicitor on a property settlement. This only applies to penalty rates incurred on one installment. Future installments do not qualify under these criteria.
- » Application for remission of penalty rates must be in writing using the prescribed form.
- » Penalty rates will not be considered for remission if the penalty rates were incurred in a previous rating year, regardless if the application otherwise meets the criteria.
- » Where a ratepayer agrees to pay rates by direct debit on a weekly, fortnightly, monthly or quarterly basis, no penalties will be charged if the rates for the financial year have been paid in full prior to 30 June in the rating year.

## 2.4. Delegation

Council delegates the authority to remit penalty rates to the Chief Executive Officer or the Chief Financial Officer

# 3. Remission of Rates for Land Used by Sporting, Recreational and Community Organisations

## 3.1. Objective

- » To facilitate the ongoing provision of non-commercial sporting, recreational and community services that meet the needs of the residents of the district.
- » To provide indirect financial assistance to community organisations.
- » To make membership of the organisation more accessible to the general public, particularly disadvantaged groups. These may include children, youth, young families, aged people and economically disadvantaged people.

## 3.2. Conditions and Criteria

- » This policy will apply to land owned by the Council or owned or occupied by a not for profit organisation, which is used exclusively or principally for sporting, recreation or community purposes.
- » Council will remit 50% of rates, with the exception of targeted rates, for organisations that qualify under this policy, and with the exception of Rural Halls which will receive 100% remission. Sporting organisations will qualify for 50% remission regardless of whether they hold a current license under the Sale and Supply of Alcohol Act 2012.
- » The policy does not apply to organisations operated for pecuniary profit or which charge tuition fees.
- » The policy does 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.
- » Applications for remission must be made to the Council prior to the commencement of the rating year. Applications received during a rating year will be applicable from the

commencement of the following rating year. Applications will not be backdated. All rating units that have remissions in place at 1 July 2002 are not required to make application.

- » Organisations making application should include the following documents in support of their application: information on activities and programmes, details of membership and statement of objectives.
- » Remissions will apply to the following rating year and will not be retrospective.
- » Remissions will remain in force until the purposes of the organisation change such that the criteria is no longer met. No annual applications are required following the granting of a remission.

### 3.3. Delegation

Council delegates the authority to remit 50% of rates for sporting, recreational and community organisations to the Chief Executive Officer or the Group Manager Corporate Support.

## 4. Remission of Rates on Land Protected for Natural, Historical or Cultural Conservation Purposes

### 4.1. Objective

- » To preserve and promote natural resources and heritage.
- » To encourage the protection of land for natural, historic or cultural purposes.

### 4.2. Conditions and Criteria

- » Ratepayers who own or occupy rating units which have some feature of cultural, natural or historic heritage which is voluntarily protected 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, wastewater 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 e.g. a copy of the covenant or other legal mechanism. Receipt of evidence of protection without a written application will not be considered.
- » 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.
  - » The degree to which features of natural, cultural or historic heritage inhibit the economic utilisation of the land.

- » In granting remissions under this part of the policy, Council may specify certain conditions before remissions will be granted. Applicants will be required to agree in writing to these conditions and to pay any remitted rates if the conditions are violated.
- » Council will decide what amount of rates will be remitted on a case-by-case basis. Remissions will apply to the following rating year and will not be retrospective.

### 4.3. Delegation

Applications for the remission of rates for protection of heritage will be considered by Council.

## 5. Remission of Uniform Annual General Charge in Certain Circumstances

### 5.1. Objectives

- » To encourage continued subdivision activity by providing rates relief to new subdivisions by limiting the rates impact of multiple Uniform Annual General Charges (UAGCs).  
To assist ratepayers who have multiple rating units that are contiguous and used as a single farming operation.

### 5.2. Conditions and Criteria

#### 5.2.1. For subdivision purposes

This policy will apply to land that is:

- » subdivided into two or more lots; and
- » where title has been issued; and
- » the unsold lots remain in common ownership.

Remission will be the charge for each unsold lot except one.

#### 5.2.2. For multiple rating units

This policy will apply to land that is:

- » Owned by the same person or persons; and
- » used jointly as a single unit (including being used as part of the same farming operation); and
- » contiguous or separated only by a road, railway, drain, water race, river, or stream.

Remission will be the UAGC for each unit except the main farm residence unit. Remissions will apply to the following rating year and will not be retrospective.

### 5.3. Delegation

Council delegates the authority to remit UAGCs to the Chief Executive officer or the Group Manager Corporate Support.

## 6. Remission of Reserves and Civic Amenities Charge

### 6.1. Objectives

- » To encourage continued subdivision activity by providing rates relief to new subdivisions by limiting the rates impact of multiple Reserves and Civic Amenities Charges (UACs).
- » To assist ratepayers who have multiple rating units that are contiguous and used as a single farming operation.
- » To provide relief to rural farming properties for a vacant unit used as a run-off.

### 6.2. Conditions and Criteria

#### 6.2.1. For subdivision purposes

This policy will apply to land that is:

- » subdivided into two or more lots; and
- » where title has been issued; and
- » the unsold lots remain in common ownership.

Remission will be the charge for each unsold lot except one.

#### 6.2.2. For multiple rating units

This policy will apply to land that is:

- » owned by the same person or persons; and
- » used jointly as a single unit (including being used as part of the same farming operation); and
- » contiguous or separated only by a road, railway, drain, water race, river, or stream.

Remission will be the UAC for each unit except the main farm residence unit.

#### 6.2.3. For a run-off unit

The policy will apply to one unit that is:

- » used as a run-off for a farming operation. A separate application in writing must be made for consideration of this remission.

Remissions will apply to the following rating year and will not be retrospective.

### 6.3. Delegation

Council delegates the authority to remit Reserves and Civic Amenities Charge to the Chief Executive Officer or the Chief Financial Officer.

## **7. Remission of Rates for Natural Disasters**

### **7.1. Objectives**

- » To provide relief to properties affected by natural disasters.

### **7.2. Conditions and Criteria**

- » Council will remit rates to those properties identified according to the conditions and criteria set by central government.
- » The level of remission will be to the extent of funding provided by central government.