



**SOUTH WAIRARAPA  
DISTRICT COUNCIL**  
*Kia Reretahi Tātau*

# Remission of Rates Policy

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# Remission of Rates Policy

## 1. Relevant Legislation

- » [Local Government Act 2002](#)
- » [Local Government \(Rating\) Act 2002](#)
- » [Te Ture Whenua Māori Act 1993](#)

## 2. Introduction and Purpose

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.

## 3. Scope

This policy applies to all ratepayers in the South Wairarapa district who meet the defined circumstances.

## 4. Policy Statement

### 4.1. Remission of Penalties Added to Rates

#### 4.1.1. 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.

#### 4.1.2. 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.

- » 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 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 for a period of up to 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.

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

### 4.2.1. Objectives

- » 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.

### 4.2.2. Criteria and Conditions

- » 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. Sporting organisations will qualify for 50% remission regardless of whether they hold a current license under the Sale and Supply of Alcohol Act 2012.
- » Council will remit 50% of rates, except for targeted rates for water, wastewater, and refuse & recycling, for organisations that qualify under this policy.
- » Rural Halls will receive 100% remission of rates, except for targeted rates for water, wastewater, and refuse & recycling.
- » 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.
- » Organisations making an 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.

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

#### 4.3.1. Objectives

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

#### 4.3.2. Criteria and Conditions

- » Ratepayers who own or occupy land which has some feature of cultural, natural, or historic heritage which is protected under a formal protection agreement as set out below, or that are protected under the Combined District Plan as a site of significance for Māori, may qualify for remission of rates, to the amount that Council determines to be appropriate, under this part of the policy. Restrictions must preclude commercial use for pecuniary benefit, and allow for public access to the land.
  - » An open space covenant under section 22 of the Queen Elizabeth the Second National Trust Act 1977; or
  - » A conservation covenant under section 77 of the Reserves Act 1977; or
  - » A Nga Whenua Rahui kawenata under section 77A of the Reserves Act 1977; or
  - » A declaration of protected private land under section 76 of the Reserves Act 1977; or
  - » A management agreement for conservation purposes under section 38 of the Reserves Act 1977; or
  - » A management agreement for conservation purposes under section 29 of the Conservation Act 1987; or
  - » A Māori reservation for natural, historic, or cultural conservation purposes under sections 338 to 341 of the Te Ture Whenua Māori Act 1993 (Māori Land Act 1993); or
  - » A covenant for conservation purposes under section 27 of the Conservation Act 1987; or
  - » A covenant for conservation purposes approved under the Heritage New Zealand Pouhere Taonga Act 2014 (or Historic Places Act 1993)
- » 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.
- » The land, or portion of the land that is subject to the application, must not be in use. For the purposes of this Policy, the definition of person actually using the land is taken from the Local Government (Rating) Act 2002. It means a person who, alone or with others,
  - » leases the land; or
  - » resides on the land; or
  - » stores anything on the land; or

- » uses the land in any other way.
- » Work conducted to preserve or enhance the natural, cultural, or historical features of the land will not impact the “unused” status of the land.
- » Applications must be made in writing. Applications should be supported by documentary evidence of the protected status of the land 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 land.
  - » 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.
- » Remissions will apply to the following rating year and will not be retrospective.

## 4.4. Remission of Uniform Annual General Charge and Roothing Charge in Certain Circumstances

### 4.4.1. 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.
- » To provide relief to rural farming properties for a vacant unit used as a run-off.

### 4.4.2. Criteria and Conditions

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 Uniform Annual General Charge and Roothing charge for each unsold lot except one, and for a maximum of three consecutive financial years.

For multiple rating units, this policy will apply to land that is:

- » owned or leased 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 Uniform Annual General Charge and Roothing charge for each unit except the main farm residence unit. Remissions will apply to the following rating year and will not be retrospective.

For a runoff unit, this 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.
- » Remission will be the Uniform Annual General Charge and Roothing charge for each unit except the main farm residence unit. Remissions will apply to the following rating year and will not be retrospective.
- » Remissions will apply to the following rating year and will not be retrospective.



## 4.5. Remission of Rates for Natural Disasters

### 4.5.1. *Objectives*

- » To provide relief to properties that become unusable as a result of natural disasters.

### 4.5.2. *Criteria and Conditions*

- » 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.

## 4.6. Remission of Rates Due to Coastal Erosion

### 4.6.1. Objectives

- » To ensure a clear process exists to deal with the increased frequency of coastal erosion caused by adverse weather within our district.
- » To set out general procedures for council staff to manage rating units affected by coastal erosion ensuring a fair and transparent process.

### 4.6.2. Criteria and Conditions

- » Properties are inspected as they come to the attention of the council, generally as part of storm assessment.
- » Applications for rates remissions must be made in writing in the rating year the erosion occurs. All applications will be considered on a case-by-case basis.
- » Council at its discretion may remit any rates or charge wholly, or in part levied in respect of any property affected by coastal erosion, where it considers it fair and reasonable to do so.
- » Council will take into account:
  - » Whether as a result dwellings or buildings previously habitable were made “uninhabitable” \*
  - » The activity for which the land and/or buildings were used prior to the disaster is unable to be undertaken or continued.
  - » The extent to which essential services such as water, or sewerage to any dwelling or building were interrupted and could not be supplied.
  - » whether essential services such as water, or sewerage to any dwelling or building are able to be supplied.
  - » Whether any part of the property remains habitable or available for use.

\*For the purposes of this policy “uninhabitable” shall mean:

- » A building which cannot be used for the purpose it was intended due to a ‘s124 notice’ being issued under the Building Act 2004.

## 4.7. Remission of Excess Water Usage due to Water Leak

### 4.7.1. Objectives

- » To provide for the write-off of water by meter usage charges where genuine reasons exist to do so.
- » To encourage reduction in water usage through prudent application of policies.
- » To set out fair procedures for the write-off of water by meter charges where a leak has been detected and repaired.
- » To reduce overall consumption through identification and repair of leaks.

### 4.7.2. Criteria and Conditions

- » Current owners will be allowed one write-off under this policy per financial year (1 July to 30 June)
- » A waiver will only be considered for the financial year which the current reading refers to.
- » The write-off will only apply where the leak identified is of such magnitude that usage will exceed the allowance set for the financial year. For example, a slowly dripping tap is unlikely to result in excess usage.
- » Documentation of the repair is supplied in writing, for example by way of a plumber's invoice or a written and signed description of the repair work undertaken. The nature of the repair must indicate that excess usage is likely.
- » Where suspected excess usage is identified, a notice may be issued at the time of the meter reading. If this notice is not acted on within four weeks, then this policy will not apply.
- » A write-off will be available due to council error, or the meter reading inaccurate usage.
- » Where suspected excess usage is identified, a notice may be issued at the time of the meter reading. If this a property changed ownership during the year, usage for the rest of that year will start from nil from the time of change of ownership.
- » Remission will be for the amount by which the charge represents water usage exceeding that of the previous year, or an appropriate amount above normal usage. Council retains the discretion to determine a level of usage that represents normal usage for each connection.
- » If a write-off is agreed, but the user has a history of usage in excess of the allowance, estimated usage (based on historical usage) amount will be calculated and invoiced.