

Kaupapa Here Whakatārewa Reiti

Rates Postponement Policy

Person Responsible: Head of Business Enablement
Date Adopted: 24 June 2024
Status: Final

Date Last Reviewed: June 2024
Next Review Date: 2027
Review Period: 3 years
Revision Number: 4

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Purpose of Policy

This policy sets out when and how the Council will postpone property rates.

Scope

This policy applies only to residential rating units.

Legislation

Section 102 (3)(b) of the Local Government Act 2002 (LGA 2002) states that the Council may adopt a rates postponement policy.

Section 110 of the Act states what the Policy must contain, and that it must be reviewed at least every six years using consultation that gives effect to the consultation principles in section 82 of the LGA 2002.

Section 87 of the Local Government (Rating) Act 2002 allows the Council to postpone all or part of the rates on a rating unit if it has adopted a postponement policy, the ratepayer has applied in writing for a postponement and the Council is satisfied that the conditions and criteria in the policy are met.

This policy is required by section 102(3A)(b) of the LGA 2002 to support the principles in the preamble to Te Ture Whenua Māori Act 1993. The principles are:

- The spirit of the exchange of kawanatanga for the protection of rangatiratanga embodied in the Treaty of Waitangi be reaffirmed;
- Recognise that land is a taonga tuku iho of special significance to Māori people and, for that reason, to promote the retention of that land in the hands of its owners, their whānau, and hapū, and to protect wāhi tapu;
- Facilitate the occupation, development, and utilisation of that land for the benefit of its owners, their whānau, and hapū.

Objective

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

Policy

Conditions and Criteria

1. Only rating units used solely for residential purposes will be eligible for consideration for rates postponement for extreme financial circumstances.
2. Only the person recorded as the ratepayer, or their authorised agent, may make an application for rates postponement. The ratepayer must be the current owner of the rating unit and have owned it for not less than five years. The person entered on the Council's

rating information database as the ratepayer must not own any other rating units or investment properties in the District or in another district.

3. The ratepayer or their authorised agent must make an application to the Council on the prescribed form, which can be downloaded from the Council's website or obtained from any LibraryPlus or the Hāwera administration building. Council officers have delegated authority to consider and approve applications that meet the criteria described in paragraphs 1 and 2 above.
4. When considering whether extreme financial circumstances exist, all of the ratepayer's personal circumstances will be relevant including age, physical or mental disability, injury, illness and family circumstances.
5. Before approving an application, Council officers must be satisfied that the ratepayer is unlikely to have sufficient funds left over, after the payment of rates, for normal health care, proper provision for maintenance of their home and chattels to an adequate standard as well as normal day to day living expenses. When a decision to postpone rates is made, the ratepayer must first make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments.
6. Any postponed rates will be postponed until:
 - The death of the ratepayer(s); or
 - Until the ratepayer(s) ceases to be the owner or occupier of the rating unit; or
 - Until the ratepayer ceases to use the property as their residence; or
 - Until a date specified by the Council.
7. The Council will charge an annual administration fee on postponed rates for the period between the due date and the date they are paid.
8. Even if rates are postponed, as a general rule the ratepayer will be required to pay the first \$500.00 of the rates 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.
9. The postponed rates or any part thereof may be paid at any time. The applicant may elect to postpone the payment of a lesser sum than what they would be entitled to under this Policy. Postponed rates may be registered as a statutory land charge on the rating unit title to ensure that the Council will have the first call on the proceeds from the sale or lease of the rating unit.

History of Policy

Action	Description	Decision Date	Decision Number	Commencement
Review	Review of Policy	2018		1/07/2018
Review	Review of Policy	2021		1/07/2021
Review	Review of Policy	24/06/2024	104/24	1/07/2024



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