Te Kaunihera o Te Hiku o te Ika
Far North District Council

KAUPAPA HERE WHAKAMAMA REITI

RATING RELIEF POLICIES 2025

HE ARA TĀMATA
CREATING GREAT PLACES
Supporting our people

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Introduction

Section 102(3) of the Local Government Act 2002 (LGA 02) provides that a council may adopt a rates remission Policy and a postponement Policy. The Far North District's Rating Relief Policies Policy address both the remission and postponement of rates.

Section 102(1) and (2)(e) of the LGA 02 also requires councils to adopt a Policy for the remission and postponement of rates on Māori Freehold Land.

The objectives of Council's rating relief policies are to:

1. Provide an equitable system of rating remission and postponement for all sectors of the community;
2. Provide ratepayers with financial assistance where they might otherwise have difficulty meeting their obligations to pay rates.
3. Align with Council's community outcomes and strategic priorities and recognise that there is a community benefit in providing assistance through rating relief to certain charitable and community organisations.
4. Recognise that the nature of Māori land is different to General Title land and that certain unoccupied Māori Freehold Land, which is not used, may have particular conditions, ownership structures, or other circumstances which make it appropriate to remit or postpone rates for defined periods of time'

In the development of these policies, Council has considered Schedule 11 of the LGA 02 (matters relating to rates relief on Māori Freehold Land).and the requirement under section 3(b) of the Local Government (Rating) Act 2002 (LGRA) to facilitate the administration of rates in a manner that supports the principles set out in the Preamble to Te Ture Whenua Māori Act 1993.

Te Ture Whenua Māori Act 1993 is the primary legislation governing Māori Freehold Land, the preamble to which sets fundamental principles within which the whenua Māori framework operates to:

- recognise whenua Māori as a taonga tuku iho of special significance to Māori,
- promote the retention of whenua Māori in the hands of its owners, their whanau, and their hapū,
- to protect wahi tapu, and
- to facilitate the occupation, development, and utilisation of whenua Māori for the benefit of its owners, their whanau, and their hapū

Council also recognises that the development of Māori Freehold Land benefits the community as a whole, by providing environmental and cultural benefits, employment and economic opportunities and helps improve the prosperity of the District.

The objectives of rating relief in relation to Māori Freehold Land under Schedule 11 of the LGA02 are:

- supporting the use of the land by the owners for traditional purposes
- recognising and supporting the relationship of Māori and their culture and traditions with their ancestral land
- avoiding further alienation of Māori freehold land
- facilitating any wish of the owners to develop the land for economic use
- recognising and taking account of the presence of wahi tapu that may affect the use of the land for other purposes
- recognising and taking account of the importance of the land in providing economic and infrastructure support for marae and associated Papakainga housing (whether on the land or elsewhere)
- recognising and taking account of 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 habitats of indigenous fauna
- recognising the level of community services provided to the land and its occupiers
- recognising matters related to the physical accessibility of the land.

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Making an application? This is what you need to know:

1. All applications for remission or postponement of rates, whether under these policies or otherwise, must be:
    - made in writing (relevant application forms for rates relief will be made available online or can be sent to applicant by post or email, where applicable)
    - signed by the owner/ratepayer or relevant approved person, and
    - accompanied by any required supporting documentation.
2. Council may require further information from the applicant if necessary to process the application and may require the applicant to attend a meeting with staff to discuss the application in more detail.
3. Council reserves the right to inspect the use of a property, where appropriate, as part of the assessment of any R
4. Remissions or postponements granted under previous policies will remain in force as per those policies.
5. Where a property or part of that property is sold within the period of remission or postponement, Council reserves the right to recover the rates remitted or postponed for the applicable period.
6. Council may be entitled to register a Statutory Land Charge against the Certificate of Title for a property receiving rates remissions or postponements and reserves the right to do so.
7. A person(s) or entity receiving remissions or postponements under any of these Policies must promptly inform Council of any substantial change in their status (whether financial or otherwise) or the status of their land which might affect their continuing eligibility for such remissions or postponements.
8. Applications may be made for a remission or postponement of rates in circumstances not otherwise covered within these policies. However, any decision of Council on an "outside of Policy" application must be consistent with the LGRA and any other relevant requirements.
9. Council is under no obligation to approve an application that does not comply with these policies and any relief provided, and the extent thereof, is at the discretion of Council and may be cancelled or reduced at any time if new relevant information becomes available.
10. The decision of Council on any application is final.

R21/01 – Remission of Penalties

Background

Penalties are charged where rates instalments are not paid by the due date. Council recognises the financial and other hardships faced by some ratepayers. This Policy provides for the remission of rates penalties on the grounds of financial and other hardship.

Policy Objective

To allow for Council to act fairly and reasonably to remove penalties applied when rates instalments have not been paid by the due date.

Scope

This Policy applies to both General Title and Māori Freehold Land.

Policy Statement

Council may remit rates penalties on the grounds of financial and other hardship

Conditions and Criteria

1. Applications for remission may be considered if:
   a. The applicant has a previous good record of payment of all rate instalments within the last two years; or
   b. The rating unit has a new owner who has not received notice of the due date for the current invoice; or
   c. A request is made on compassionate grounds due to financial or other hardship (e.g. significant family disruption, illness or accident).; or
   d. The ratepayer has entered into a Rates Easy Pay agreement and has maintained the arrangement to clear their outstanding rates for a period of 6 months; or

      Where Council receives formal advice that a property is a deceased estate and subject to probate, a penalty inhibitor will be applied to the rates and water account for a period of six months from the date of that advice; or
   e. If there is no cost to Council in granting a remission e.g. where the remission of penalty results in immediate full payment of arrears.

R21/02 – Remission on Land Unusable due to Natural Disaster

Background

Natural disasters can cause land to become unusable for an extended period of time. This Policy aims to provide rates relief in such circumstances.

Policy Objective

To provide rating relief to the owners of properties that have become unusable as a result of a natural disaster and the loss of the use of the property results in financial hardship to the owner.

Scope

This Policy applies to both General Title and Māori Freehold Land.

Policy Statement

Council may grant a remission of rates on land that has become indefinitely unusable as a result of a natural disaster.

Conditions and Criteria

1. The application must set out in detail the nature of the natural disaster that has caused the land to be unusable.
2. The application must outline the steps that the owner has taken, or will take, to return the land to a usable state. If this is not possible, the application must state why.
3. The application must be supported by a report from a Registered Engineer or other similarly qualified expert setting out the reasons why the land has become, and will remain, unusable.
4. The maximum period for remission of rates will be 5 years. At the end of that period, if the land in question remains unusable a further application for remission will be required.
5. Where a further period of remission is sought the new application must include confirmation, by way of a statutory declaration, that the conditions of the original expert's report remain unchanged, OR a new experts report must be provided.
6. Any remission will be cancelled immediately if the land is returned to a usable state.

R21/04 - Remission on Land used by Community, Sports and Not-for-profit Organisations

Background

Community and voluntary groups provide facilities to enhance and contribute to the wellbeing of the residents of the Far North. This Policy is intended to provide rating relief for those organisations that operate for the benefit of the community and are not otherwise exempt from rates under Schedule 1, LGRA[1].

Policy Objectives

1. To assist in the ongoing provision of community services and recreational opportunities that benefit Far North residents.
2. To recognise that there is a community benefit in providing assistance through rating relief to certain charitable and community organisations.

Scope

This Policy applies to both General Title and Māori Freehold Land.

Policy Statements

1. Council may remit up to 100% of the rates,(providing the entity does not qualify for other financial support by way of government or other grants or funding) payable on land owned or used by any entity which:
    a. has, as its principal purpose and function, the provision of social housing, free access to family counselling, or, assessment, counselling and in-patient treatment for people with alcohol, drug and mental health related problems; and
    b. is a Registered Charity or an IRD approved donee organisation.

2. Council may remit up to 50% of the rates payable on land owned or used by an entity, or persons (providing the entity does not qualify for other financial support by way of government or other grants or funding) for the purpose of providing benefit to Far North residents through:
    a. the promotion of recreation, health, education, or instruction; or
    b. the provision of camping grounds for the purpose of recreation, health, education or instruction.

The maximum period for remission under this Policy will be three years. At the end of the three-year remission period, a new application will be

Conditions and Criteria

1. Relevant financial information must accompany all applications, including:
    a. a statement of the applicant's organizational objectives
    b. the applicant's full financial accounts
    c. information on the activities and programmes provided by the applicant
    d. details of the applicant's membership or clients.

2. All income earned by ratepayers and entities receiving a remission under this Policy must be spent on reasonable salaries, wages and other costs reasonably related to its community, sports, or not- for-profit purposes.

3. No remission will be given on land:
    a. on which a license under the Sale of Liquor Act is held;
    b. where the entity that owns the land qualifies for other financial support by way of government or other grants or funding;
    c. where any person or entity receives private financial profit from the activities carried out on the land. used for an activity which is commercial in nature e.g. an "op-shop" will not qualify for rating relief under this Policy.

4. The maximum period for remission under this Policy will be three years. At the end of the three-year remission period, a new application will be required.

[1] Schedule 1 of the Local Government (Rating) Act 2002 provides that land owned or used by certain categories of charitable and community organisations is 100% non-rateable, while land owned or used by organisations for sports or any branch of the arts, (except where these organisations operate a club licence under the Sale of Liquor Act) are partially (50%) non-rateable.

R21/05 – Remission on Properties Spanning Multiple Districts

Background

There are a small number of rating units situated across the boundary line between the Far North District and other districts (ie the Whangarei District or the Kaipara District). These properties incur rates from both councils. This Policy provides an equitable method of assessing rates for those properties.

Policy Objective

To recognise that some properties span multiple districts, and to ensure that only the portion of property located within the Far North District is rated by the Far North District Council.

Scope

This Policy applies to both General Title and Māori Freehold Land.

Policy Statement

Rates will be remitted on any portion of a property that is located outside of the Far North District.

Conditions and Criteria

If there is a dwelling on the portion of the property located within the Far North District no portion of the Uniform Annual General Charge will be remitted but the land value-based rate will continue to be remitted on the portion of the property located outside of the Far North District.

R21/06 Remission on Common-Use Properties

Background

Section 20 LGRA requires that multiple rating units be treated as one rating unit if they are:

1. Owned by the same person or persons; and,
2. Used jointly as a single unit; and,
3. Contiguous or separated only by a road, railway, drain, water race, river or stream.

This Policy expands on the provisions of the LGRA and provides for certain residential properties and commercial operations to be treated as one rating unit to assist economic development in the District.

under this Policy.

Policy Objectives

To enable Council to deal equitably with the imposition of the UAGC and applicable targeted rates on multiple rating units

Scope

This Policy applies to both General Title and Māori Freehold Land.

Conditions and Criteria

Applications Policy must comply with the conditions and criteria set out below.

1. The rating units must be contiguous, or in the case of a farm, must be situated within a radius of 2 kilometers from the primary property.
2. To be eligible for remission of the UAGC or other applicable targeted rate, the rating units must be covered by one of the following categories:

a. **Residential/lifestyle property** – must be owned by the same ratepayer who uses the rating units jointly as a single residential property. A vacant residential unit will not meet the requirements for remission; there must be considerable development demonstrating joint use of the units for residential purposes

b. **Residential rating units jointly used** – must be contiguous and jointly used even if the ownership is not an exact match. At least one unit must have a dwelling and the other unit(s) considerable development which demonstrates that the rating units are being used as one.

c. **Farm/lifestyle property** - must be owned or be leased for not less than 10 years, by the same ratepayer who uses the rating units jointly as a single farm.

d. **Subdivision, commercial or residential development** - must be owned by the original developer who is holding vacant individual rating units pending their sale or lease. Remission on units held in a subdivision will be limited under this Policy for a term of 3 years for all charges and will be calculated from 1 July in the year that the rates were first remitted.

3. A remission granted under this Policy does not continue where a property is sold. Any new purchasers will need to submit a fresh application for remission.
4. . Council reserves the right to exclude any specific targeted rate or charge from remission

R21/07 – Remission of School Sewerage Charges

Background

Council recognises that schools may be charged for sewerage services at a disproportionate rate where there are a higher number of toilets (pans) attributed to the school for rating purposes than the actual number of students enrolled in the school. This Policy ensures that schools are equitably charged for sewerage services.

Policy Objective

To ensure equitable rating of schools by providing rating relief for sewerage charges.

Scope

This Policy applies to both General Title and Māori Freehold Land.

Conditions and Criteria

1. This Policy applies to land owned or used by, and for any of the purposes of those educational establishments specified in Clause 6, Part 1, Schedule 1of the LGRA.
2. This Policy does not apply to schoolhouses occupied by a caretaker, principal or staff
3. The number of students in an educational establishment is the number of students on its roll on 1 March of the year immediately before the year to which a sewerage charge relates.
4. The number of staff in an educational establishment is the number of full-time teaching equivalent staff and full time equivalent administration staff employed by that educational establishment on 1 March of the year immediately preceding the year to which a sewerage charge relates.
5. The nominal toilet (pan) number will be calculated as one pan per 20 students/staff members or part thereof.
6. Where the nominal number of toilets (pans) is less than the actual number of pans, sewerage charges will be remitted on those pans that make up the difference between the two figures.

R21/08 – Remission of Excess Water Charges

Background

From time to time ratepayers are required to pay excess water charges as a result of leaks or damage to their water supply system. Ordinarily the ratepayer is responsible for the maintenance of the internal reticulation from the water meter to their property and to pay for any consumption of water supplied through the meter.

Council recognises that consumers may experience water leaks and incur excess water charges before they become aware of a problem and it may be reasonable to allow for a reduction in charges in such circumstances.

Policy Objectives

1. To standardise procedures to assist ratepayers who have excessive water rates due to a fault (leak) in the internal reticulation (all pipe reticulation from the meter to the house or property (known as the "private side of the meter")) serving their rating unit.
2. To incentivise ratepayers to regularly check their water meter and maintain their internal reticulation ensuring that they retain responsibility for the maintenance of their internal reticulation.

Scope

This Policy applies to both General Title and Māori Freehold Land.

Policy Statements

1. Council may provide a full remission of excess water charges to the ratepayer once every 10 years where a leak in the internal reticulation of the applicant's property has resulted in water loss.
2. Council may provide a 50% remission of excess water charges to the ratepayer in the case of a separate leak on that property occurring within 10 years following the grant of an initial 100% remission application.
3. Excess water charges resulting from any further leaks (3 or more) within the 10-year period are not eligible for remission.
4. The 10-year period will restart at zero if the property is sold and there is a new owner/ratepayer.

Conditions and Criteria

1. Applications made under this Policy must be received by Council within six months of the first notification to the ratepayer by Council of a possible leak (where an applicable notification is made).
2. Meter readings will be taken after the application has been received to ensure all leaks have been repaired.
3. Proof of repairs to the internal reticulation must be provided, together with the application eg a detailed written report or an invoice for repairs from a registered plumber, or a report from Council's service contractor.
4. Repairs carried out by the ratepayer must be peer reviewed by a registered plumber and a report provided to confirm that the repair is suitable and to current standards.
5. The maximum relief that will be provided on a remission will be the difference between the average water consumption for the three-meter readings prior to an application and the average water consumption for the three-meter readings following repair of the leak that gave rise to the remission application.

R21/13 – Remission Incentivising Māori Economic Development

Background

Council recognises that there is a need to incentivise economic development on Māori Freehold Land. Enabling and incentivising Māori 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.

Policy Objectives

1. To provide incentives for Māori landowners to develop Māori Freehold Land for economic use.
2. To enable owners to develop an economic base and to assist with the subsequent payment of rates.

Scope

This Policy applies to Māori Freehold Land only.

Policy Statement

Council will remit rates on Māori Freehold Land for the purposes of incentivising economic development.

Conditions and Criteria

1. Council will remit rates under this Policy on an eight-year sliding scale as follows:
   - Years 1-3 - 100% remitted
   - Year 4 - 90% remitted
   - Year 5 - 80% remitted
   - Year 6 - 60% remitted
   - Year 7 - 40% remitted
   - Year 8 - 20% remitted; and
   - Year 9 - 0% remitted

   Remission will apply from 1 July in the year of application.
2. The land, or portion of the land, for which relief is sought must be considered suitable for development and confirmed as currently not used or economically viable in its current state.
3.
4. Key considerations for Council in deciding whether to grant a remission will include whether:
   a. suitable professional advice has been obtained;
   b. there is a suitable management structure in place;
   c. appropriate financial arrangements for the development of the land has been made;
   d. suitable monitoring and reporting systems have been or will be established; and
   e. realistic financial projections and cash flows have been provided.
5. Each application will be submitted to Council for review and assessment. The decision of Council to approve or not approve is final.
6. If the development on which the remission is based does not proceed or is unable to meet the requirements to achieve a viable economic return, Council will cease the remission at the end of the rating year in which this becomes apparent.

R21/14 – Remission of rates on Treaty Settlement Lands

Background

Council recognises that post-settlement governance entities which are formed to receive properties returned as a part of Te Tiriti o Waitangi/ Treaty of Waitangi settlements, will require time to develop strategic plans, restore protections, and complete necessary works to develop cultural and commercial redress properties.

Treaty Settlement Lands can in some instances be held under General Title rather than being Māori Freehold Land, which means that the rating relief policies for Māori Freehold Land will not apply to all such whenua. This Policy has been developed in recognition of these circumstances and to provide rating relief where appropriate.

Policy Objective

To recognise that lands acquired as part of a settlement process under Te Tiriti o Waitangi/ Treaty of Waitangi may be subject to particular conditions or other circumstances which make it appropriate to remit rates.

Scope

This Policy applies only to Treaty Settlement Lands (except where that land is held as Māori Freehold Land) , which for the purposes of this Policy means any whenua which has been:

1. returned to Māori ownership by the Crown as part of a Treaty Claims Settlement (cultural redress), or
2. purchased or otherwise transferred to Māori ownership as a part of a Treaty Claims Settlement to replace whenua which could not be returned to Māori ownership by the Crown (commercial redress).

Policy Statement

Council will remit rates on Treaty Settlement Lands subject to the criteria set out below.

Conditions and Criteria

1. .
2. The application must include details and supporting evidence that demonstrate that the land which is the subject of the application is Treaty Settlement Land.
3. Treaty Settlement Land that was non-ratable prior to the relevant Treaty Claims Settlement will receive a full rates remission for a period of three years.
4. Where Treaty Settlement Land has been provided under commercial redress but is not in use, Council will grant a 50% remission of rates for a period three years.
5. Where Treaty Settlement Land has been provided under commercial redress and meets the criteria for remission under clauses 2-3 of the Conditions and Criteria of the *R21/13 - incentivising Māori Economic Development Policy*, Council will remit rates on an eight-year sliding scale as follows:
   - Years 1-3 - 100% remitted
   - Year 4 - 90% remitted
   - Year 5 - 80% remitted
   - Year 6 - 60% remitted
   - Year 7 - 40% remitted
   - Year 8 - 20% remitted; and
   - Year 9 - 0% remitted
6. If the development on which any remission is based does not proceed or is unable to meet the requirements to achieve a viable economic return, Council will cease the remission at the end of the rating year in which this becomes apparent.

R23/15 – Remission Enabling Housing Development on Māori Freehold Land

Background

Section 114A LGRA requires Council to recognise that there is a need to enable housing development on Māori Freehold Land. Enabling housing development through the remission of rates will see direct social benefits to landowners, as well as to Council from future rates contributions.

Policy Objective

To provide for a remission of rates for Māori landowners to enable the development of housing opportunities on Māori Freehold Land.

Scope

This Policy applies to Māori Freehold Land only

Policy Statement

Council will remit rates on Māori Freehold Land for the purposes of enabling housing development.

Conditions and Criteria

1. Council will remit rates under this Policy on an eight-year sliding scale as follows:
   - Years 1 - 3 - 100% remitted
   - Years 4 - 5- 75% remitted
   - Year 6 - 50% remitted
   - Year 7 - 25% remitted
   - Year 8 - 0% remitted

   Remission will apply from 1 July in the year of application.
2. The land, or portion of the land, for which relief is sought must be considered suitable for Development.
3. The application can apply to any number of dwellings on a site.
4. Where relevant, the applicant must also demonstrate that they are applying for and being granted any relevant consents (resource consent., building consent, Code Compliance etc.)
5. The applicant must notify the Council Rates Team when any relevant consents/ certifications are granted to ensure the continuation of the remission.
6. Key considerations for Council will include whether:
   a. Suitable professional advice has been obtained.
   b. Appropriate financial arrangements for the development of the land have been made.
7. Remission of rates will not apply to charges for service connections, which will remain payable if the property is connected to Council reticulation.
8. If the development on which the remission is based does not proceed or is unable to meet the requirements to be compliant with relevant regulatory requirements, the remission will cease at the end of the rating year in which this becomes apparent.

P21/01 – Remission on Land Subject to Protection for Outstanding Natural Landscape, Cultural, Historic or Ecological Purposes

Background

The Far North District Council recognises that certain rateable land within the Far North District is protected for the purposes of preserving outstanding natural landscapes or for cultural, heritage, or ecological purposes.

Policy Objectives

To provide rating relief to landowners who have reserved lands, that have particular outstanding natural landscape, cultural, historic or ecological values, for future generations.

Scope

This Policy applies to both General Title and Māori Freehold Land.

Policy Statements

1. Council may **remit** rates on land subject to formal protection as per 1a) to 1g) of the Conditions and Criteria of this Policy.
2. Council may **postpone** rates on land subject to formal protection as per 1h) and 1i) of the Conditions and Criteria of this Policy.

Conditions and Criteria

1. The land the subject of an application under this Policy must be subject to a formal protection agreement as set out below:
   a. An open space covenant under section 22 of the Queen Elizabeth the Second National Trust Act 1977; or
   b. A conservation covenant under section 77 of the Reserves Act 1977; or
   c. A Nga Whenua Rahui kawenata under section 77A of the Reserves Act 1977; or
   d. A declaration of protected private land under section 76 of the Reserves Act 1977; or
   e. A management agreement for conservation purposes under section 38 of the Reserves Act 1977; or
   f. A management agreement for conservation purposes under section 29 of the Conservation Act 1987; or
   g. A Māori reservation for natural, historic, or cultural conservation purposes under section 338 of the Te Ture Whenua Māori Act 1993 (Māori Land Act 1993); or
   h. A covenant for conservation purposes under section 27 of the Conservation Act 1987.
   i A covenant for conservation purposes approved under the Heritage New Zealand Pouhere Taonga Act 2014 or the Historic Places Act 1993.
2. Applications must be supported by a copy of the formal protection agreement and any relevant Management Plan detailing how the values of the land are to be maintained, restored, and/or enhanced.
3. The rating unit or portion of the rating unit that is the subject of the application must not be in use. For the purposes of this Policy, a rating unit will be classified as being "in use[2]. where a person(s):
   a. Leases the land; or
   b. Does 1 or more of the following things on the land for profit or other benefit:
      i. Resides on the land
      ii. Pastures or maintains livestock on the land
      iii. Stores anything on the land
      iv. Uses the land in any other way[3]
4. Where the entire rating unit is the subject of the application, the remission or postponement of rates will apply to all rates levied on the property.
5. The protected and unprotected portions of the rating unit will be separately valued and assessed as separate parts[4] and the remission or postponement of rates will only apply to the protected portion of the rating unit[5].
6. Any remission or postponement granted under this Policy will come into effect on 1 July in the rating year following the submission of the application.
7. Any remission or postponement of rates on the land will be cancelled immediately if the land ceases to be protected under a formal protection agreement.
8. Postponed rates that have not been remitted will be repayable if the covenant conditions and the Management Plan objectives are breached.

[2] SEE definition of "person actually using land or person actually using a rating unit" under section 5 Local Government (Rating) Act 2002

[3] Notwithstanding the above definition of in use, work undertaken to pre- serve or enhance the features covenanted on the land, including weed control, will not impact the "unused" status of the land. The removal of traditional medicinal tree and plant material by tangata whenua for personal use will not constitute use of the land.

[4] SEE section 45(3) Local Government (Rating) Act 2002

[5] It should be noted that these separate parts will not constitute separately used or inhabited parts for rating purposes and a full set of UAGC and other charges will be assessed against the part of the rating unit that is being used

Specific Conditions and Criteria for Postponement of Rates

1. After a period of ten years, the postponed rates for the first year of the covenant period will be remitted.
2. An additional year of the postponed rates will be remitted each year thereafter, so that a maximum of ten years of postponed rates are held against the land at any given time.
3. Upon expiration of the covenant or other agreement, any rates that are postponed against the land at that time, which have not been remitted under paragraph 1 and 2 above, will become due.
4. The repayment of postponed rates will not be required as a result of a change of ownership, provided that the land continues to comply with all criteria.
5. Council will not seek repayment of postponed rates where future postponement is revoked due to Council changing the criteria for postponement.

P21/03 – Postponement of rates on Landlocked Land

Background

The Property Law Act 2007 (PLA) enables owners of landlocked land to apply to the District Court to gain reasonable access to their property.

Under section 326 PLA:

landlocked land means a piece of land to which there is no reasonable access.

reasonable access, in relation to land, means physical access for persons or services of a nature and quality that is reasonably necessary to enable the owner or occupier of the land to use and enjoy the land for any purpose for which it may be used in accordance with any right, permission, authority, consent, approval, or dispensation enjoyed or granted under the Resource Management Act 1991.

However, ratepayers may not be in a position to take legal action under the PLA due to financial hardship.

This Policy has been prepared to cover exceptional circumstances and will only be applied after all other avenues for gaining reasonable access have been explored by the owner

Policy Objectives

To provide rating relief to ratepayers where their land has no reasonable access and the ratepayer cannot afford to seek relief under the PLA.

Scope

This Policy applies to both General Title land and Māori Freehold Land.

Policy Statement

Council may postpone rates on landlocked land where there is no reasonable access as defined in section 326 PLA AND that land is not being used for residential or commercial purposes, providing the following criteria are met.

Conditions and Criteria

1. The land the subject of the application must be landlocked land as defined in Section 326 PLA.
2. The application must describe how the land meets the definition of "landlocked land" under section 326 PLA.
3. The application must provide details of how financial hardship is preventing the applicant from seeking relief under the PLA.
4. The maximum term for the postponement of rates for landlocked land will be three years. If the land remains landlocked at the end of that period, postponed rates will be remitted, but a new application will be required.
5. If the land ceases to be landlocked during the period of the postponement, any rates postponed will be remitted at the end of the three-year period, provided that the owner keeps the rates up to date for the remainder of the three year period.
6. The land must not be used for the purposes of any residential occupation or any activity commercial purposes, including lease agreements, or storage of equipment, stock or livestock.
7. The repayment of postponed rates will not be required because of a change of ownership provided that the change has not arisen from the sale of the property and the land continues to comply with the criteria of this Policy.

P21/04 - Transitional Policy for the postponement of rates on farmland

Background

This transitional Policy has been prepared to address the rating of farmland that previously received a rates- postponement value pursuant to section 22 of the Rating Valuations Act 1998 (RVA).

Section 22 RVA, which was repealed in 2002 by the LGRA, provided for rates relief for the owners of farmland whose values were increased beyond that of other farmland in the district because of the potential use to which the land could be put for residential, commercial, industrial, or other non-farming development.

A number of properties in the Far North received these farmland postponement values because their values were significantly enhanced because of their proximity to high valued urban or coastal areas.

This transitional Policy provides for Council to continue to provide rating relief to certain properties that were receiving relief prior to the introduction of the LGRA, and that qualified after that date under revoked Policy P04/04.

This Transitional Policy is restricted to those farms which are owner operated, where the owner is a natural person and/or is a company where the owners live on and operate the farm as a personal business. The Policy specifically excludes those farms which are held as investment properties where the owners, corporate or otherwise, live either outside the district.

Effect of rates postponement values

The postponed portion of the rates for any rating period shall be the amount equal to the difference between the amount of the rates for that period calculated according to the postponement value of the rating unit an amount of the rates that would be payable for that period if the rates were calculated on the basis of its actual value.

The amount of the rates for any rating period so postponed shall be entered in the rates records and will be included in or with the rates assessment issued by Council in respect of the rating unit.

Any rates so postponed will, so long as the property continues to qualify for rates postponement, be remitted at the expiration of 10 years from the date at which the postponement was granted.

Each year a postponement fee will be added to the outstanding balance and will become part of the rates postponed on the rating unit pursuant to Section 88(3) of the Local Government (Rating) Act 2002.

Policy Objective

To provide rating relief to farmers who had previously been receiving relief under the RVA and revoked Policy P04/04,

Scope

This Policy applies to both General Title and Māori Freehold Land.

Council will not accept any new applications under this Policy.

Conditions and Criteria

1. This Policy provision only applies to

a. rating units which previously qualified for a postponement of rates under Policy P04/04, repealed on 30 June 2006 and

b. which continues to be owned by the same ratepayer/s who owned it at that date.

2. For the purposes of this transitional Policy, the definition of qualifying farmland means:

   a. land which is used principally or exclusively for agricultural, horticultural, or pastoral purposes but excludes land that is used for forestry, lifestyle, or farm park type purposes and

   b. where the farming operation provides the principal source of revenue for the owner of the land, who must be the actual operator of the farm and who must reside on the land and.

   c. The area of the land is not less than 50 hectares.

3. The properties that are the subject of this Policy will be identified and the rates postponement values determined by Council's Valuation Service Provider and will:

   · exclude any potential value, at the date of valuation, that the land may have for residential use or for commercial, industrial, or other non-farming use; and will preserve uniformity and equitable relativity with comparable parcels of farmland, the valuations of which do not contain any such potential value.

4. No objection to the amount of any rates postponement value determined under this Policy will be accepted by Council (other than where the objector proves that the rates postponement value does not preserve uniformity with existing roll values of comparable parcels of land having

no potential value for residential use, or for commercial, industrial, or other non-farming use).

5. The Postponement Value will be reviewed after each triennial revaluation and the revised value will be advised to the ratepayer. At that time Council will seek the advice of its valuation service provider as to whether they believe that the land continues to be actively farmed and qualifies under the terms of this Policy provision. Council reserves the right to ask the owner to provide evidence showing that the land continues to operate as a farm.

Termination and repayment of postponed rates

All rates that have been postponed under this Policy and have not been remitted become due and payable immediately on:

1. The land ceasing to be farmland;
2. The interest of the owner is passed over to, or becomes vested in, some person or other party other than;
   a. the owner's spouse, son or daughter; or
   b. the executor or administrator of the owner's estate.
3. Where only part of the land is disposed of then only part of the postponed rates will become immediately repayable. The amount repayable will be calculated in accordance with the following formula:

$$\frac{A \times C}{B}$$

Where:

A - is the difference between the ratable value and rates special value of the balance of the land retained by the person who was the occupier on the date on which the rates postponement value was entered on the valuation roll; and

B - is the difference between the ratable value and the special value of the whole of the land immediately before the date of the vesting of that interest in that other person.

That special value shall be specially redetermined if, because of a general revaluation of the district in which the land is situated, the special value appearing on the valuation roll is no longer directly related to the ratable value on the date of the vesting; and

C – is the total amount of the rates postponed immediately before the date of vesting. In all cases the amount of the rates to be repaid will be not less than 20% of the value of the total amount of rates currently postponed.

4. Subject to the land continuing to qualify for the special postponement value, any rates postponed under this Policy will be remitted at the expiration of 10 years from the date on which they were assessed.

P21/05 – Postponement of Residential Rates for Senior Citizens

Background

The payment of rates by senior citizens on a limited income can affect their quality of life. This Policy provides senior citizens with the option of postponing their rates until a sale of the rating unit takes place, or, in the event that they pass away, until the settlement of their estate. This will relieve senior citizens of potential financial hardship, and enhance the quality of their lives, including the ability to remain in their home longer with limited income.

Policy Objective

To positively contribute to the quality of life for senior citizens by postponing rates payable.

Scope

This Policy applies to General Title Land only Policy

Policy Statements

Council may postpone rates for ratepayers whose primary income is the New Zealand Superannuation Scheme or other fixed income. Any postponed rates will be postponed until:

a. The settlement of the ratepayer's estate following their death; or
b. The ratepayer ceases to be the owner or occupier of the rating unit; or
c. The ratepayer ceases to use the property as their primary residence; or
d. The accrued charges exceed 80% of the rateable value of the property (postponed rates will remain due for payment only on death, sale, or the date specified by Council); or
e. A date specified by the Council.

Conditions and Criteria

1. Postponement under this Policy will only apply to ratepayers who are:
    a. eligible to receive the New Zealand Superannuation Scheme, as their primary income; or
    b. on a fixed income. i.e. an income from a pension or investment that is set at a particular figure and does not vary.
2. The rating unit must be used by the ratepayer as their primary residence. This includes, in the case of a family trust owned property, use by a named individual or couple.
3. The ratepayer must not own any property that may be used:
    a. as a holiday home or rental property; or
    b. for commercial activities, such as farming or business.
4. People occupying a unit in a retirement village under a license to occupy must have the agreement of the owner of the retirement village before applying for postponement of the rates payable on their unit.
5. If a property is still under a mortgage, a written and signed approval must be obtained from the Mortgagee as part of the application. The payment of postponed rates will have priority over mortgage payments.
6. Properties that are the subject of a reverse mortgage are not eligible for rating relief under this Policy.
7. Council has the right to decline rates postponement for a property that is in a known hazard zone to minimize any risk of loss to Council.
8. Postponed rates will be registered as a statutory land charge on the rating unit title, meaning that Council will have first claim on the proceeds of any revenue from the sale or lease of the rating unit.
9. If rates are postponed, the ratepayer will still be responsible for paying the amount of rates equal to
10. the maximum rebate available under the central government Rates Rebate Scheme for the relevant rating year.
    Council will charge an annual administrative fee on postponed rates.
11. The postponed rates or any part thereof may be paid to Council at any time
12. The property must be insured at the time the postponement application is granted and must be kept insured. Evidence of this must be produced by the applicant to Council annually.

ML21/01 – Unused Māori Freehold Land

Background

Following 2021 amendments to the LGRA many categories of Māori land became fully non-rateable[6]. Māori land that is fully non-rateable includes:

- Land that is subject to a Ngā Whenua Rāhui kawenata under the Reserves Act 1977 or the Conservation Act 1987.
- Land that is used as a Māori burial ground.
- Māori customary land.
- Land that is used for the purposes of a marae or meeting house excluding land used primarily for commercial or agricultural activity; or residential accommodation.
- Māori Reservation Land under Te Ture Whenua Māori Act 1993.
- Unused Māori freehold land, which in this context means that:
  - no one is actually using any part of the land, OR
  - the land is used in a similar manner to a reserve or conservation area and no part of it is subject to a lease, used for residential accommodation; or use for any activity other than personal visits to the land or personal collections of kai or cultural or medicinal material from the land.

The creation of a licence to occupy or any other informal arrangement does not create a separate rating unit. This means that any part of the land that isn't used as part of the occupied portion of the land (referred to as "the balance of land") does not automatically fall under the amendments to the LGRA which make unused/unoccupied land "non- rateable". Occupation licenses are generally used to define a specific area of Māori Freehold Land that the licensee can occupy for the purposes of establishing a dwelling. At the termination of the license, the dwelling has to be removed or transferred to the owners of the land.

Informal arrangements are where a person occupies an area of Māori Freehold Land for a period of time; however, has no formal agreement and no rights to permanent occupation.

Policy Objectives

To provide the ability to grant remission for the portions of land not occupied or used where there is an occupation licence or an informal arrangement for use in place on part of the rating unit.

Scope

This Policy applies only to Māori Freehold Land and will apply from 1 July in the year of application.

Policy Statement

Council may remit the rates relating to the balance of land where there is an occupation licence or informal arrangement in place on the land, for a period not exceeding three years.

Conditions and Criteria

1. The balance of land must not be used by any person – for the purposes of this Policy land will be defined as "used" if any person, alone or with others carries out any of the following activities on the land -
   a. leases the land; or does one or more of the following things on the land for profit or other benefit:
   b. resides on the land
   c. pastures or maintains livestock on the land
   d. stores anything on the land
   e. uses the land in any other way[7]
2. If the land comes under use at any point, it will no longer receive remission of rates under this Policy.

[6] SEE section 8 and Part 1, Schedule 1 LGRA
[7] SEE Definition of *person actually using land* or *person actually using a rating unit* under section 5 LGRA

ML21/02 - Māori Freehold Land used for the purposes of Papakainga or other housing purposes subject to occupation licenses, rental agreements or other informal arrangements

Background

There are approximately 5,492 Māori Freehold Land Titles in the Far North District covering approximately 138,000 hectares of land. The complex nature of Māori Freehold Land requires Council to have intimate knowledge of the purposes and functions of Māori Freehold Land when dealing with its customers, ratepayers and residents.

The Far North District Council recognises that occupation licenses, rental agreements and various informal occupation arrangements, only provide an interim or temporary right to occupy part or all of an area of Māori Freehold Land. This right is only available to the licensee, lessee/ tenant or informal occupier and does not create an interest that can be transferred or bequeathed as part of an estate.

This form of occupation is different to an occupation order, which provides a permanent right to occupy an area of land and can be passed on to future generations.

Occupation licences

Occupation licenses are generally used to define a specific area of Māori Freehold Land that the licensee can occupy for the purposes establishing a dwelling. At the termination of the license, the dwelling has to be removed or transferred to the owners of the land.

Rental agreements

Māori land trusts and other management structures are often used to manage whenua in multiple ownership. If housing is provided, the Māori land trust may choose to put in place a rental agreement with occupiers/beneficiaries making use of that housing.

Informal arrangements

Informal arrangements are where a person occupies an area of Māori Freehold Land for a period of time; however, has no formal agreement and no rights to permanent occupation.

The occupier of land that is the subject of an occupation license, rental arrangement or informal agreement is generally either not required to pay any rental to the owners of the land (i.e. it is not a commercial arrangement) or where rental is payable it does not result in significant profit or benefit to the owner(s) of the whenua. .

There is a willingness on the part of such occupiers of Māori Freehold Land that is the subject of these types of arrangements to pay rates in respect of the part of the land that they occupy. However, there is a concern that these “parts” may become liable for the uniform general charges (UAGC) and other non- service-related charges assessed on the basis of a separately used or inhabited part of a rating unit.

This Policy has been prepared to address these issues. It recognises that Papakainga and similar housing on Māori Freehold Land are generally occupied by members of owner's families **rather than being commercial arrangements.**

The Policy is similar in effect to the treatment of multiple housing on general title land, where the separate parts are occupied on a rent-free basis by members of the owner’s family.

To assist the occupiers to pay the rates on the parts of a rating unit that are the subject of an occupation license, rental agreement or other informal arrangement, Council will issue a separate rates assessment for each part in accordance with section 45 (3) and (4) LGRA.

Policy Objectives

1. To put in place processes to allow the residents with occupation licenses, rental agreements or other informal arrangements to pay their portion of rates in respect of the land that they occupy.
2. To assist Māori to establish papakainga or other housing on Māori Freehold Land.
3. To assist Māori to establish an economic base for future development.

Scope

This Policy applies only to **Māori Freehold Land.**

Policy Statement

The Far North District Council recognises that the imposition of multiple UAGCs or other non-service-related charges might act as a disincentive to Māori seeking to occupy Māori Freehold Land for housing purposes.

Conditions and Criteria

1. Council will consider remission of multiple UAGCs and other charges, with the exception of those that are set for the provision of utilities such as water, sewerage, in respect of separately used or inhabited parts of a rating unit where these are the covered by occupation licenses, rental agreements or other informal arrangements.
2. The part of the land concerned must be the subject of a licence to occupy, rental agreement or other informal arrangement for the purposes of providing residential housing for the occupier on a non-commercial basis.
3. The area of land covered by each arrangement must have a separate valuation issued by Council's valuation service providers and will be issued with a separate rate assessment pursuant to section 45(3) LGRA).
4. The occupier must agree to pay any rates assessed in respect of the part or division of the rating unit that is the subject of the application.
5. No portion of the service charges for utilities will be remitted.
6. Council reserves the right to cancel the remission on the portion of a rating unit upon which rates remain unpaid for a period of more than one month after the due date (due date can apply to the instalment date or an agreed payment plan).
7. UAGCs and other charges on the land will remain in remission so long as the occupation continues to comply with the conditions and criteria of this Policy.

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HE ARA TĀMATA
CREATING GREAT PLACES
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