Remission Policies 2027-2037

RATES REMISSION FOR COMMUNITY, SPORTING AND OTHER ORGANISATIONS

Objective

To facilitate the ongoing provision of non-commercial community services or non-commercial recreational opportunities for the residents in the Queenstown Lakes District.

The purpose of granting rates remission to an organisation is to:

- Recognise the public good contribution to community wellbeing made by such organisations.
- Assist the survival of such organisations by reducing operational costs
- Make membership of the organisation more accessible to the general public, particularly children, youth, young families, aged people and/or economically disadvantaged people.

Conditions and criteria

Council supports applications for rates remission from non-commercial organisations that provide community services or recreational activities and are not operated for private profit. The rating unit land must be owned by the Council or owned, occupied or leased by an organisation (with liability for rates), and used exclusively or principally for sporting, recreation or community purposes. A remission application under this policy must be in the organisation's name and the rating unit must be fully occupied by the ratepayer.

This Policy applies to community, sporting and other organisations not otherwise covered by Schedule 1 of the Local Government (Rating) Act 2002, that specifies categories of land that is either 100% or 50% non-rateable.

The policy will 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, those that engage in recreational, sporting or community services as a secondary purpose only, or those that exist for the proposes of profit or gain.

Organisations making application should include the following documents in support of their application:

- Statement of objectives;
- Full financial accounts from the prior financial year;
- Details of any leases (where applicable);
- Information on activities and programmes delivered; and,
- Details of membership or clients.

Application

The application for rate remission must be made to the council prior to 31 August if the applicant wishes the remission to apply to rates payable in that year. New applications received during a rating year will be applicable from the commencement of the following year. Applications will not be backdated.

Each application will be considered by Council on its merits, and provision of a remission in any year does not set a precedent for similar remissions in any future year.

An application for remission will apply for a maximum of three years, and all applications will expire on 30 June following the district-wide revaluation. A new application must be made if continued assistance is required.

Remissions to any qualifying organisation shall be on the basis of 100% reduction in rates and charges except targeted Waste Management Charges or for areas used commercially such as bars or shops.

Decisions on applications for this remission will be made by Council officers in accordance with Council's Register of Delegations.

RATES REMISSION FOR LAND PROTECTED FOR NATURAL, HISTORIC OR CULTURAL CONSERVATION PURPOSES

Objective

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

Conditions and criteria

Ratepayers with rating units which have features 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 2002 will not qualify for remission under this part of the policy.

Application

Applications must be in writing and must be supported by documentary evidence of the protected status of the rating unit, e.g. a copy of the covenant or other legal mechanism. This may include areas of land protected under the District Plan as significant indigenous vegetation or heritage buildings classified as QLDC Category 1.

The property must not be used for any commercial or pecuniary purpose.

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 and 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; and
- the use of the property.

In granting remissions under this policy, the Council may specify certain conditions before a remission 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.

The application for rate remission must be made to the council prior to 31 August if the applicant wishes the remission to apply to rates payable in that year. New applications received during a rating year will be applicable from the commencement of the following year. Applications will not be backdated.

Remissions to any qualifying property shall be on the basis of a 50% reduction in the General Rate.

Decisions on applications for this remission will be made by Council officers in accordance with Council's Register of Delegations.

RATES REMISSION FOR LAND AFFECTED BY NATURAL CALAMITY

Objective

To permit the Council, at its discretion, to remit rates charged on any land that has been detrimentally affected by natural calamity, such as erosion, subsidence, submersion or earthquake and aid those ratepayers most adversely affected.

Conditions and criteria

The Council may remit wholly, or in part, any rate or charge made and levied in respect of the land:

1) If the land is detrimentally affected by natural calamity such as erosion, subsidence, submersion or earthquake and:
    a) as a result, the dwellings or buildings previously habitable were made uninhabitable; or
    b) the activity for which the land and/or buildings were used prior to the calamity is unable to be undertaken or continued.
2) In determining whether or not a property is uninhabitable and the period of time for which the rates remission is to apply, Council may take into account:
    a) whether essential services such as water, sewerage or refuse collection to any dwelling or building are able to be provided; and
    b) whether any part of the building or land remains habitable or available for use
3) The remission may be for such period of time as the Council determines, acting reasonably. Without limiting the Council's discretion, the timeframe for remission will typically commence from the date upon which the Council determines that the dwelling, buildings or land were made uninhabitable or unable to be used for the activity for which they were used prior to the calamity, and end on the earlier of, the date that is 5 years after the commencement date, or the date that the land and/or buildings are deemed by the Council, acting reasonably, to be able to become habitable or available for use.
4) Rates remission will not apply to any part of a rate that is levied as a user pays charge.

Application

The ratepayer must apply to the Council for a remission within 6 months from the date of the event.

Each natural calamity event will be considered for rates remission in part or whole of the rates on a case by case basis by Council.

The extent of any remission shall be determined by the Council or by Council officers in accordance with Council's Register of Delegations where provided.

REMISSION OF RATE PENALTIES

Objective

To enable the Council to act fairly and reasonably in its consideration of rates that have not been received by the Council by the penalty date, due to circumstances outside the ratepayer's control or whereby it is deemed equitable to remit the penalty.

Conditions and criteria

Each application will be considered on its merits and remission may be granted where it is considered just an equitable to do so. The Council will consider remission of rate penalties where an application is made and if it meets any of the following criteria:

- There exists a history of regular punctual payment over the previous 12 months and instalment payment is made within a reasonable time of the ratepayer being made aware of the non-payment; or
- The rates instalment was issued in the name of a previous property owner; or
- Compassionate grounds, i.e. where a ratepayer has been ill or in hospital, suffered a family bereavement or tragedy of some type which made them unable to attend to payment of a single instalment; or
- It can be proven that the rates instalment was not received, where a genuine cause exists and this is the first occasion this has occurred; or
- A processing error has been made in Council's records or an outstanding balance has arisen as a result of a shortfall caused by the operation of an agreed payment plan; or
- Full payment of all outstanding rates is agreed through a payment plan, in good faith a single penalty will be remitted.

Application

The ratepayer must apply to the Council for a remission within 6 months of the penalty being applied.

In implementing this policy, the circumstances of each case will be taken into consideration on their individual merits and will be conditional upon the full amount of such outstanding rates being paid.

Decisions on remission of penalties will be made by Council officers in accordance with Council's Register of Delegations.

RATES REMISSION FOR SUNDRY REMISSIONS

Objective

To remit rates and charges that are the result of fundamental errors; or where the balance owing is considered uneconomic to recover; or where the amount levied is unable to be recovered pursuant to Sections 67-76 of the Local Government (Rating) Act 2002, or where the Council or its delegated officer(s) consider the levy impractical to recover.

Conditions and criteria

Council or its delegated officer(s) shall determine the extent of any remission based on the merits of each situation.

Application

The policy shall apply to the ratepayers who meet the relevant criteria as jointly approved by the Financial Services Manager, Finance Director or General Manager Assurance, Finance & Risk.

POLICY FOR REMISSION AND POSTPONEMENT OF RATES ON MĀORI FREEHOLD LAND

Section 102(4)(f) of the Local Government Act 2002 requires the council to adopt a policy on the remission and postponement of rates on Māori freehold land; section 108 and Schedule 11 set out the matters to be considered.

Objective

To recognise that certain Māori freehold land may have particular conditions, features, ownership structures or other circumstances that make it appropriate to provide for remission from certain rates and to avoid further alienation of Māori freehold land.

Conditions and criteria

Māori freehold land is defined in the Local Government (Rating) Act 2002 as land whose beneficial ownership has been determined by a freehold order issued by the Māori Land Court. Only land that is subject of such an order may qualify for remission under this policy.

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

- the land is unoccupied and no income is derived from that land; and/or
- the land is better set aside for non-use (whenua rahui) because of its natural features; and/or
- the land is inaccessible and unoccupied.

Application

Decisions on remission of rates on Māori freehold land are delegated to officers as set out in Council's delegations register.

RATES REMISSION FOR RESIDENTIAL LAND SUBJECT TO ZONE CHANGES

Objective

To ensure that owners of residential rating units situated in non-residential areas are not unduly penalised by the zoning decision of the Council.

Conditions and criteria

To qualify for remission under this policy, the rating unit must:

- be situated within the area of land that has been rezoned to commercial through a Council initiated zone change;
- the effect of the zone change is that the land value of the rating unit increases and as a consequence the rates payable in respect of the rating unit also increase; and
- be listed as a 'residential' property for differential rating purposes.

In addition, the ratepayer must:

- have been the property owner prior to the zone change being initiated;
- reside permanently in the rating unit;
- must be using the rating unit as a residential purpose; and
- not have actively sought rezoning.

The remission of the rates on the rating unit will cease, as from the next rating year commencing 1 July, upon any of the following events:

- the death of ratepayer(s); or
- until the ratepayer(s) ceases to own the rating unit; or
- until the ratepayer(s) ceases to use the property as his/her residence

Application

The ratepayer must apply to Council for a remission on or before 31 August if the applicant wishes the remission to apply to rates payable in that year. Each application for a rates remission will be considered on a case-by-case basis following receipt of an application by the ratepayer.

Remission is granted only in respect of those parts of the rates that are based on capital value, listing the rating unit as 'residential' for differential rating purposes. The extent and duration of any remission shall be determined by the Council.

Decisions on applications for this remission will be made by Council officers in accordance with Council's Delegations Register. In the event of any doubt or dispute arising, the application is to be referred to full Council or any committee it delegates to for a decision.

Postponement Policies 2027-2037

POSTPONEMENT POLICY - EXTREME FINANCIAL HARDSHIP

Objective

To assist ratepayers experiencing extreme financial hardship.

Conditions and criteria

When considering whether extreme financial circumstances exist, all of the ratepayer's personal circumstances will be relevant.

The Council must postpone rates in accordance with the policy where the application meets all of the following criteria:

- the ratepayer(s) must be the current owner of the rating unit;
- the rating unit must be solely used for their personal residential purposes;
- the Council must be satisfied that the ratepayer is unlikely to have sufficient funds left over after the payment of rates, for normal health care, appropriate provision for maintenance of his/her home at an adequate standard, as well as making provision for normal day-to-day living expenses;
- the ratepayer(s) must not own any other rating units or investment properties or other realisable assets; and
- the ratepayer(s) must make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments.

The Council will add a postponement fee to the rating year in which the application is made for the costs relating to the Statutory Land Charge.

Any postponed rates will be postponed until:

- the death of ratepayer(s); or
- until the ratepayer(s) ceases to be the owner or occupier of the rating unit; or
- until the ratepayer(s) ceases to use the property as his/her residence; or
- until a date determined by the Council in any particular case.

The applicant may elect to postpone a lesser sum than that which they would be entitled to have postponed under this policy, by paying the postponed rates or any part thereof.

Application

The ratepayer must make written application to the Council.

Postponed rates will be registered as a Statutory Land Charge on the rating unit's title.

All approved applications shall be reviewed annually to confirm continued eligibility under this policy. Applicants may be required to provide updated information and supporting documentation as part of

the review process.

Decisions on applications for this policy will be made by Council officers in accordance with Council's Delegations Register.

POSTPONEMENT POLICY - FOR ELDERLY

Objective

To enable Council to provide older ratepayers with more options and flexibility for paying rates supporting these ratepayers to stay in their houses for longer.

Conditions and criteria

Ratepayers are eligible for postponement of rates provided the following criteria are all met:

- The ratepayer must be over the age of 65;
- The ratepayer must be a New Zealand citizen;
- The property must be insured;
- The property must be the prime residence of the ratepayer and owner occupied;
- The ratepayer(s) must not own any other property;
- The rateable property must be have a 'residential' or 'country dwelling' rating category in the council's Rating Information Database;
- The postponed rates must not exceed 80 per cent of the available equity in the property; and
- The available equity is the difference between the Council's valuation of the property (the capital value at the most recent revaluation) and the value of any encumbrances against the property, including mortgages or loans

Any postponed rates under this policy will be postponed until:

- the death of the ratepayer(s), or
- until the ratepayer(s) ceases to be the owner and occupier of the rating unit, or
- until the ratepayer(s) ceases to use the property as his/her residence.

Charges

- There is an initial one-off application fee of $600.00, which includes the cost of Council registering the Statutory Land Charge on the property title;
- Interest will be charged on the postponed rates six monthly at Council's marginal rate (to cover the current cost to Council of borrowing the required funds);
- A $100.00 yearly administration charge is payable by the property owner; and,
- 0.25% annual reserve fund levy on the total rates that are postponed is payable by the property owner.

Applicants are required to obtain independent legal advice and confirm doing so through a Statutory Declaration.

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 that which they would be entitled to have postponed pursuant to this policy.

Postponed rates will be registered as a statutory land charge on the rating unit title. This means that the council will have first call on the proceeds of any revenue from the sale or lease of the rating unit.

The Council reserves the right not to postpone any further rates once the total of postponed rates and accrued charges exceeds 80% of the rateable value of the property as recorded in the Council's rating information database.

This Policy consciously acknowledges that future changes in policy could include withdrawal of the postponement option.

Application

Applications are to be made in writing to Council. The application must be made to the council prior to 31 August of the rating year in question. New applications received during a rating year will be applicable from the commencement of the following year. Applications will not be backdated.

Decisions on applications for this policy will be made by Council officers in accordance with Council's Delegations Register.