

Council Policy

Policy Title: **Māori Freehold Land Rates Remissions**
Responsibility: Group manager Corporate Services
First Adopted: 2006
Review Frequency: 3 yearly
Last Reviewed: 2017
Next Review Due: 2020
Doc No 692957



File No P50-0056

1 Policy Objectives

- 1.1 The objective is to implement a policy for providing rate relief on Māori freehold land pursuant to Section 108 of the LGA, and giving recognition to the Te Ture Whenua Māori Act, by developing a policy that:
- (a) Recognises situations where there is no occupier or person gaining economic or financial benefit from the land.
 - (b) Omits land that is better set-apart from development because of its natural features, significant vegetation and/or habitat, and cultural significance.
 - (c) Recognises matters related to physical accessibility of land.
 - (d) Recognises and takes into account the presence of wāhi tapu that may limit the use of the land for other purposes.
 - (e) Grants remissions only to portions of land not occupied, and/or undeveloped.
 - (f) To facilitate development or use of the land where Council considers rates set on the assessed land value makes the actual use of the land uneconomic.

2 Definitions

- 2.1 **Hapū:** Whanau groups descended from their own hereditary ancestor
- 2.2 **Māori customary land:** Land held under the customs and usages of the Māori people, the title to which has not been investigated by the Māori Land Court
- 2.3 **Māori freehold land:** Land whose beneficial ownership has been determined by the Māori Land Court by freehold order
- 2.4 **Taonga tuku iho:** Legacy, treasure
- 2.5 **Wāhi tapu:** Means land set apart under section 338(1) (b) of the Te Ture Whenua Māori Act 1993 (a place of special significance according to the meaning, custom, obligation and conditions to Māori)
- 2.6 **Whānau:** Extended family in which a person is born and socialized

3 Principles

- 3.1 This Policy is written under Sections 102 and 108 of the LGA and addresses the rating of Māori freehold land. The Policy provides for the fair and equitable collection of rates from Māori freehold land, recognising that certain Māori owned freehold lands have particular conditions, features, ownership structures, or other circumstances determining the land as having limited rateability under legislation.
- 3.2 This Policy targets Outcomes:
- (a) Vibrant and Diverse Living**
Providing for Diversity
 That the traditions, values and history of all ethnic groups are respected.
- (b) Thriving and Prosperous Lifestyles**
Providing Opportunities
 Economic diversity and core economic strengths are encouraged in partnership with others.
- 3.3 The community benefits targeted by this policy are:
- (a) Owners or Trustees of Māori freehold land and the Ruapehu community benefit from increased appropriate development of land, which is made easier by economic incentives.
- (b) Council and the community benefit through the efficient collection of rates.

4 Background

4.1 LOCAL GOVERNMENT (RATING) ACT 2002 [LG(R)A]

- 4.1.1 Māori freehold land is defined by the LG(R)A as “land whose beneficial ownership has been determined by the Māori Land Court by freehold order”. Only land that is the subject of such an order may qualify for remission under this policy.
- 4.1.2 Māori freehold land is liable for rates in the same manner as if it were general land, with the exception where Part 4 of LG(R)A states otherwise.

4.2 LOCAL GOVERNMENT ACT 2002

Section 102 (1), 108 and Schedule 11 of the LGA requires Council to adopt a policy on the remission and postponement of rates on Māori freehold land.

4.3 TE TURE WHENUA MĀORI ACT 1993

- 4.3.1 The Act states as its purposes:
- (1) *It is the intention of Parliament that the provisions of this Act shall be interpreted in a manner that best furthers the principles set out in the Preamble to this Act:*
- 4.3.2 Preamble principles:
- (a) To recognise that land is a taonga tuku iho of special significance to Māori people.
- (b) To promote the retention of that land in the hands of its owners, their whānau, and their hapū.
- (c) To protect wāhi tapu.
- (d) To facilitate the occupation, development and utilisation of that land for the benefit of its owners, their whānau, and their hapu.
- (e) To maintain a Court and to establish mechanisms to assist the Māori people to achieve the implementation of these principles.
- 4.3.3 Te Tiriti o Waitangi (Treaty of Waitangi) shall be taken into account under the LGA and the Resource Management Act 1991.

5 Policy Statement

5.1 SCOPE

This policy does not provide for permanent remission or postponement of rates on the properties concerned, recognising the potential for circumstance and land use development to change.

5.2 COUNCIL DISCRETION

Council will rate Māori freehold land to the extent practicable under legislation.

5.2.1 It is the applicant's obligation to notify change of use where remission is given under this section. If the applicant fails to notify Council on change of use, the applicant will be required to pay the rates remission.

5.2.2 Council's valuation service provider will be contracted to provide three yearly land use reports to coincide with the three yearly revaluation cycle. These reports may be used to monitor changes in land use and to confirm eligibility for rates remission under this policy.

5.2.3 Council will monitor the use of Māori freehold land receiving rates remissions under this policy. If, in Council's opinion, the land is being used for undeclared productive purposes and income is being generated from the land, Council will review the land's eligibility for rates remissions.

5.3 APPLICATION REQUIREMENTS

All applications under this Policy are to be made triennially on the form prescribed by Council.

5.3.1 All supporting documentation specified on the prescribed application form, and in any other section of this Policy relating to specific land use types, must be submitted with an application for it to be processed by Council.

5.3.2 Remissions will be applied to rates from the rating year in which a successful application is made and will not be applied retrospectively.

5.4 MĀORI LAND RATES RELIEF REGISTER

Council will maintain a register of the two categories, A and B (titled the Māori Land Rates Relief Register) for the purpose of recording the properties on which it has agreed to remit rates pursuant to this Policy.

5.5 CATEGORY A: MĀORI LAND GENERAL REMISSIONS LIST

5.5.1 General

(a) Category A: Māori Land General Remissions List is established for the purpose of recording remissions on unoccupied or unproductive land that achieves objectives (a), (b), (c), (d), (e) of this Policy.

(b) 100% of all rates set on these properties, except targeted rates set for water supply, sewage disposal or solid waste collection will be remitted. Where there are no services provided to the property and/or it is uneconomic to pursue rates, all rates will be remitted.

5.5.2 Eligibility

The following land use categories will be considered for remissions under Category A: Māori Land General Remissions List:

<p>Unoccupied or Unproductive Land</p>	<p>Land that is:</p> <ul style="list-style-type: none"> • Unproductive (assessed as having no income derived from that land), and • Unoccupied <p>Note: Includes land that is inaccessible and/or better set aside for non-use because of its cultural significance and natural features.</p>
<p>Māori Freehold Land with Dwelling(s)</p>	<p>The following conditions will apply to Māori freehold land with dwellings on:</p> <ul style="list-style-type: none"> • Where there is one or more dwelling on the land, separately used or inhabited parts of the rating unit may be created based on the area occupied and/or the area undeveloped and uneconomic, and with the written consent of the trustee or occupier. • Rates will be payable on the part(s) of the rating unit with dwelling(s) on. • Remissions may be applied for on the part(s) of the rating unit that is not being occupied by dwellings, in accordance with the provisions of this Policy. <p>Note: All land with dwellings on is fully rateable.</p>
<p>Indigenous Vegetation Lots</p>	<p>Land that is unoccupied and meets at least one of the following provisions:</p> <ul style="list-style-type: none"> • A traditional and important food source for Tangata Whenua. • A traditional and important source for cultural, medicinal, symbolic and spiritual needs of Tangata Whenua. • Includes important tribal landmarks significant to Tangata Whenua. • Important water catchment system to Tangata Whenua for sustaining physical and spiritual values. <p>Council will also take into consideration whether the land:</p> <ul style="list-style-type: none"> • Has road access and/or access to other services. • Contains indigenous forest of high ecological value. Is contiguous with forest reserves or National/Forest Parks • Is complementary with Marae Reserve Areas. • Is high land or dispersed with indigenous vegetation remnants. • Offers protection of low land development and investment in roads. • Complements water catchment areas. • Enhances wildlife areas. <p>Note: Indigenous Vegetation lots situated wholly or partially on Māori freehold land shall be recorded on the “Māori Land Indigenous Vegetation Register”.</p>
<p>Other Property</p>	<p>Māori freehold land in multiple ownership with:</p> <ul style="list-style-type: none"> • No trust in place to administer such land, and/or • The whereabouts of owner/s is unknown • may have rates remitted at Council’s discretion <p>Any person actually using Māori freehold land that is:</p> <ul style="list-style-type: none"> • In multiple or unknown ownership, and • That is not vested in a trustee <p>Will be liable to pay rates on that land (as per section 96 of Part 4 of LG(R)A).</p>

5.5.3 Arrears and Penalties

- (a) Remission of penalties may be applied for under this policy.
- (b) No penalties will be incurred whilst the agreement on rates remission is upheld. Arrears may be remitted, in full or in part, at Council's discretion in extenuating circumstances.

5.6 CATEGORY B: MĀORI LAND ECONOMIC INCENTIVE REMISSIONS LIST

5.6.1 General

Category B Māori Land Economic Incentive Remissions List is established for the purpose of recording remissions on potentially productive land that achieves objective (f) of this Policy. The level of rate liability on land recorded on this list will be subject to the criteria and calculations in this Policy.

5.6.2 Eligibility

- (a) This Category of the Policy is to provide an incentive for economic development by implementing a staged rates liability from 20% to 100% over a five year period.
- (b) Where there is economic development or a clear intent economically to develop land, negotiations may be entered into with Trustees/Owner/s or Occupiers to encourage development.

5.6.3 Calculation of Liability

To achieve the objective of this Category of the Policy, a staged rates requirement will be implemented over a five-year period according to the following schedule:

- (a) Year 1: Not less than 20% payable for that year
- (b) Year 2: Not less than 40% payable for that year
- (c) Year 3: Not less than 60% payable for that year
- (d) Year 4: Not less than 80% payable for that year
- (e) Year 5: 100% payable for that year.

5.6.4 Extent of Remissions

- (a) No remission will be granted on targeted rates for water supply, sewage disposal and solid waste services.
- (b) All applications for rates remissions toward economic development will be remitted on satisfaction of the application criteria outlined in this Policy.

5.7 APPEALS

Appeals relating to decisions taken on the eligibility of Māori freehold land for rates remissions will follow the process according to Council's delegations.

5.8 POLICY ON RATES POSTPONEMENT

Under Section 110 of the LGA, Council does not offer rates postponements.

<h2>6 Delegations</h2>

- 6.1 Refer to Council's Delegations Manual.

Annotations

Date	Description
June 2006	Policy adopted
June 2009	Reviewed/amended as part of LTP process
June 2012	Reviewed as part of LTP process – no changes
September 2017	Review deferred until Te Whenua Maori Bill is passed