



# Remission of Rates on Māori Freehold Land Policy 2024

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**Owner:** Executive Manager  
Finance, Strategy and  
Governance

**Review frequency:** Three yearly, or as required  
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# 1. Policy Objectives

1.1 The objectives of this policy are to:

- (a) Recognise that certain Māori owned land may have particular conditions, features, ownership structures, or other circumstances that make it appropriate for Council to provide relief from rates.
- (b) Recognise that the communities of the Ruapehu District (the District) benefit through the efficient collection of rates that are properly payable and the removal of rating debt that is considered non-collectable.
- (c) Support the connection of Māori to their traditional lands and resources, and cultural values, where appropriate, through the short, medium, and long term relief from rates.
- (d) Meet the requirements of the Local Government Act 2002 (the LGA) and to support the principles in the preamble to Te Ture Whenua Māori Act 1993.

# 2. Definitions

## 2.1 Eligible land

In order to be granted a remission under this policy, the land must be eligible. Eligible land is land which is:

- (a) Māori freehold land; or
- (b) Land which was converted from Māori freehold land to general title by status order change pursuant to the Māori Affairs Amendment Act 1967, or land which was in Māori freehold title prior to compulsory acquisition by the Crown, a Crown body, or a local authority and has since been returned to Māori; and the land is in ownership of descendants of the original owners at the time of the status order change, or at the time of the compulsory acquisition; or
- (c) General land in collective Māori ownership.

## 2.2 General land in collective Māori ownership

Means general land owned by Māori which:

- (a) Is held for the protection of wāhi tapu or other cultural values intrinsic to the land; or
- (b) Satisfies the benefits requirements for land under development in section 114A of the Local Government (Rating Act) 2002; or
- (c) Is held by a post-settlement governance entity and the land was acquired:
  - i. As redress for the settlement of Treaty of Waitangi claims; or
  - ii. By exercise of rights under a Treaty settlement Act or Treaty settlement deed. Or;
- (d) Is held by or on behalf of an iwi or a hapū if the land was transferred from the Crown, a Crown body, or a local authority with the intention of returning land to the holders of mana whenua over that land.

Land that meets the requirements of (c) and (d) above will only be eligible for remission under this policy if no rates had been due to Council prior to the transfer, and the land is not currently generating a commercial return and will not generate a commercial return during the period the remission is applied for.

## 2.3 Hapū

Is a sub-tribe of people in Māori society, comprising of whānau who descend from a shared ancestor. Hapū hold customary and tribal rights as the people at place.

## 2.4 Iwi

Is a tribe of people in Māori society that affiliate to related hapū across shared territories.

## 2.5 Māori freehold land

Means land whose beneficial ownership has been determined by the Māori Land Court by freehold order.

## 2.6 **Māori Reservation**

Means land that is set apart as a Māori Reservation under section 338(1)(a) of Te Ture Whenua Māori Act 1993.

## 2.7 **Wāhi tapu**

Means land that is a place of special significance according to tikanga Māori that has been set apart under section 338(1)(b) of the Te Ture Whenua Māori Act 1993.

# 3. **Principles**

3.1 The policy provides for the fair and equitable collection of rates from Māori freehold land, recognising that certain Māori freehold land has particular conditions, features, ownership structures, or other circumstances determining the land as having limited rateability under legislation.

3.2 This policy targets the following Community Outcomes:

- (a) Our local communities are thriving and enabled to pursue their aspirations.
- (b) Our businesses are prosperous and connected to their community.
- (c) Our natural and built environment is healthy, strong, and safe.

3.3 This Policy supports the principles set out in the Preamble to Te Ture Whenua Māori Act 1993. These principles include recognition that land is a taonga tuku iho of special significance to Māori, and for facilitation of the occupation, development, and utilisation of that land for the benefit of its owners, their whānau, and their hapū. Ruapehu District Council (Council) considers that this policy supports those principles, particularly when viewed in conjunction with Council's Development Contributions Policy, Council's Revenue and Financing Policy, Council's Rates Remission Policy and Council's Rates Postponement Policy. Council is committed to understanding and applying key Māori concepts to enhance outcomes for our communities, thereby bringing to life the principles of Te Tiriti o Waitangi, which is one of two pou, or metaphorical posts, that support Council's new Wellbeing Framework.

# 4. **Background**

4.1 Council must adopt a policy on the remission and postponement of rates on Māori freehold land.

4.2 Council has also decided to consider applications for remission of rates on certain land which is not Māori freehold land.

4.3 Council has taken into account the principles of the preamble to Te Ture Whenua Māori Act 1993 and the matters identified in schedule 11 of the Local Government Act 2002 in making this policy, including deciding to consider applications for remission of rates on general land collectively owned by Māori in the circumstances set out in this policy.

4.4 This policy is made pursuant to sections 102, 108 and 109 of the Local Government Act which reflects that the policy applies both to Māori freehold land and to general land collectively owned by Māori.

4.5 Council has determined that this policy does not offer postponement of rates.

# 5. **Council Discretion**

5.1 Council will rate eligible land to the extent practicable under legislation.

5.2 It is the applicant's obligation to notify Council of a change in land use where remission is given under this policy. If the applicant fails to notify Council of a change in land use, the applicant may be required to repay any relief granted under this policy.

- 5.3 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.
- 5.4 Council will monitor the use of eligible 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.

## 6. Policy Statement

### 6.1 Scope

- 6.1.1 This policy does not provide for the permanent remission or postponement of rates on the properties that are covered by this policy.

### 6.2 Application Requirements

- 6.2.1 All applications under this policy are to be made triennially on the form prescribed by Council.
- 6.2.2 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.
- 6.2.3 Remissions will be applied from the following rating year which a successful application is made (i.e., 1 July onwards) and will not be applied retrospectively.

### 6.2 Māori Land Rates Relief Register

- 6.2.1 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.

### 6.3 Category A: Māori Land General Remission

#### 6.3.1 General Information

- (a) Category A: Māori Land General Remission is established for the purpose of providing relief to land that meets the requirements contained in the table below and achieve the objectives of this policy.
- (b) 100% of all rates set on these properties may be remitted.

#### 6.3.2 Criteria

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

Land Use Category	Description
Unoccupied Eligible Land that is not Māori Freehold Land	<p>Eligible land that is unoccupied and is not Māori freehold land (unoccupied Māori freehold land is automatically non-ratable under the Local Government (Rating) Act 2002) and meets at least one of the following provisions:</p> <ul style="list-style-type: none"> <li>• Supports the use of the land by owners for traditional purposes.</li> <li>• Supports the relationship of Māori and their culture and traditions with their ancestral lands.</li> <li>• Avoids further alienation of eligible land.</li> </ul>

Eligible land with dwelling(s)	<p>The following conditions will apply to eligible land with dwellings on:</p> <ul style="list-style-type: none"> <li>• Where there is one or more dwelling on the land, separate rating areas 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.</li> <li>• Rates will be payable on the part(s) of the rating unit used residentially.</li> <li>• 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.</li> </ul> <p><b>Note: All land with dwellings on is fully rateable.</b></p>
Other Property	<p>The following property may have rates remitted at Council's discretion:</p> <p>Eligible land with:</p> <ul style="list-style-type: none"> <li>• No trust in place to administer such land; and/or</li> <li>• The whereabouts of owner/s is unknown.</li> </ul> <p>However, any person actually using eligible land that is:</p> <ul style="list-style-type: none"> <li>• In multiple or unknown ownership; and</li> <li>• That is not vested in a trustee</li> </ul> <p>will be liable to pay rates on that land (as per section 96 of Part 4 of the Local Government (Rating) Act 2002).</p>

#### 6.4 Category B: Māori Land Economic Incentive Remission

##### 6.4.1 General Information

- (a) The Category B: Māori Land Economic Incentive Remission is established for the purpose of providing rates relief to eligible land that is potentially productive land.
- (b) The level of rate liability on eligible land in this Category will be subject to the criteria and calculations in this policy.

##### 6.4.2 Criteria

- (a) This Category of this 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 eligible land, negotiations may be entered into with Trustees/Owner/s or Occupiers to encourage development.

##### 6.4.3 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.

#### 6.5 Arrears and Penalties

- (a) Remission of penalties may be applied for under this policy.
- (b) No penalties will be incurred whilst an agreement regarding rates remission is upheld. Arrears may be remitted, in full or in part, in accordance with the requirements of Te Ture Whenua Māori Act 1993 at Council's discretion in extenuating circumstances.

- (c) Eligible land that is covered by this policy that is in the ownership of trustees of a trust which has insufficient income derived from the land to pay its rates will not be charged penalties in relation to the rates on that particular rating unit.

## 7. 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 Ture Whenua Māori Bill is passed
June 2024	Reviewed/amended as part of LTP process and aligned with new legislation

## 8. Policy Version Control

Policy drafted by	Policy Team and Rates Team
Policy reviewed by	Executive Manager Finance, Strategy & Governance
Policy reviewed and recommended by the Information System Governance Group (ISGG)	N/A]
Policy reviewed and recommended by the Audit and Assurance Committee	N/A
Policy reviewed and adopted by Council	[Date]

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