



Remission and Postponement of Rates on Māori Land Policy 2024



Owner: Executive Manager
Finance, Strategy and
Governance

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1. Introduction

- 1.1 This Policy is prepared under section 102(2)(e) of the Local Government Act 2002 (LGA). This Policy aims to ensure the fair and equitable collection of rates from all sectors of the community, while recognising that certain Māori owned land has particular conditions, features, ownership structures, or other circumstances that make it appropriate to provide relief from rates.
- 1.2 This policy:
- (a) Supports the principles in the Preamble to Te Ture Whenua Māori Act 1993 (as required by section 102(3A) of the LGA); and
 - (b) Has been prepared following consideration of the matters in Schedule 11 of the LGA (as required by section 108(4) of the LGA).
- 1.3 Council does not provide for the postponement of rates on Māori Freehold land.

2. Background

- 2.1 Council must adopt a policy on the remission and postponement of rates on Māori freehold land.
- 2.2 Council has decided to consider applications for remission of rates on certain land which is not Māori freehold land.
- 2.3 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.
- 2.4 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.
- 2.5 Council has determined that this policy will not provide for the postponement of the requirement to pay rates.

3. Policy Objectives

- 3.1 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.

4. Definitions and eligible land criteria

4.1 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.

4.2 **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.

4.3 **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.

4.4 **Iwi**

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

4.5 **Māori freehold land**

Is defined in Section 5 of the Local Government (Rating) Act 2002 (LGRA) as meaning land whose beneficial ownership has been determined by the Māori Land Court by freehold order.

4.6 **Māori Reservation**

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

4.7 **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.

5. **Principles**

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

5.2 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.

- 5.3 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, their hapū and to protect wāhi tapu. 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 metaphoric posts, that support Council's new Wellbeing Framework.

6. Council Discretion

- 6.1 Council will rate eligible land to the extent practicable under legislation.
- 6.2 It is the applicant's obligation to notify Council of a change in land use where remission is given under this policy. 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.
- 6.3 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.
- 6.4 In addition to this policy, ratepayers are also able to apply for remissions of rates for Māori freehold land under development in accordance with section 114A of the Local Government (Rating Act) 2002. This is statutory relief and is a process that falls outside of this policy.

7. Policy Statement

7.1 Scope

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

7.2 Application Requirements and Decision-making

- 7.2.1 All applications under this policy are to be made triennially on the form prescribed by Council.
- 7.2.2 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.
- 7.2.3 If granted, remissions will be applied from the following rating year after a successful application is made (i.e., 1 July onwards) and will not be applied retrospectively.
- 7.2.4 Applications for remission should be made prior to the start of the rating year (1 July). Applications made after the start of the rating year may be accepted at the discretion of Council. Owners or trustees making an application should include the following information in their applications:
- (a) details of the land, the objectives that will be achieved by providing a remission; and
 - (b) documentation that proves the land is eligible, in terms of this policy; and
 - (c) any documentation or information necessary to substantiate the claimed basis for the rates remission.
- The Council may request further information if necessary.

7.2.5 Applications will be considered and determined by Council's Rating Sub-Committee.

7.3 Māori Land Rates Relief Register

7.3.1 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.

7.4 Category A: Māori Land General Remission

7.4.1 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 achieves the objectives of this policy.
- (b) 100% of all rates set on these properties may be remitted.

7.4.2 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 unused and is not Māori freehold land and meets at least one of the following provisions:</p> <ul style="list-style-type: none"> • Supports the use of the land by owners for traditional purposes. • Supports the relationship of Māori and their culture and traditions with their ancestral lands. • Avoids further alienation of eligible land. <p>Note that unused Māori freehold land is automatically non-ratable under clause 14A of Schedule 1 of the Local Government (Rating) Act 2002.</p>
Eligible land with dwelling(s) that is not Māori Freehold Land	<p>The following conditions will apply to eligible land with dwellings on:</p> <ul style="list-style-type: none"> • All land with dwellings on is fully rateable. • Where there is one or more dwellings 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. • Rates will be payable on the part(s) of the rating unit used residentially. • 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. after a separate rating area has been created under s98A of the Local Government (Rating) Act 2002.
Other Property	<p>Eligible land 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. <p>However, any person actually using eligible 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 the Local Government (Rating) Act 2002).</p>

7.5 Category B: Māori Land Economic Incentive Remission

7.5.1 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.

7.5.2 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) The Council must be satisfied there is economic development on the eligible land or a clear intent to develop the eligible land for economic development purposes.

7.5.3 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.

7.6 Arrears and Penalties

- (a) Remission of penalties may be applied for under this policy.
- (b) No penalties will be incurred where a rates remission applies. 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.

8. 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

9. 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	27 May 2024
Policy reviewed and adopted by Council	26 June 2024

