

DUNEDIN CITY COUNCIL

**Remission and Postponement
Policies**

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1. REMISSION OF RATES FOR EXTREME FINANCIAL HARDSHIP

Objective

The objective of this policy is to assist ratepayers experiencing extreme financial hardship which affect their ability to pay rates.

Conditions and Criteria

Only rating units used solely for residential purposes (as defined by the Council) will be eligible for consideration for rates remission for extreme financial hardship.

Only the person entered as the ratepayer, or their authorised agent, may make an application for rates remission for extreme financial hardship on the rating unit which is the subject of the application. The person entered on the Council's rating information database as the "ratepayer" must not own any other rating units or investment properties (whether in the district or in another district).

The Council will consider, on a case by case basis, all applications received that meet the criteria described in the two paragraphs above.

When considering whether extreme financial hardship exists, all of the ratepayer's personal circumstances will be relevant including, but not limited to, the following factors: age, physical or mental disability, injury, illness and family circumstances.

Before approving an application 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, proper provision for maintenance of his or her home and chattels at an adequate standard as well as making provision for normal day to day living expenses.

Amount of Remission

If a remission is approved, as a general rule the amount will be in the range of \$100 to \$300 for each rating year.

An approved remission will apply for the rating year in which the application is made.

Application and Approval

The ratepayer (or authorised agent) must make an application to the Council each year on the prescribed form. Copies can be obtained from the Council Offices, or Customer Service Centres.

The Council will delegate authority to approve applications for rates remission to particular officers.

2. POSTPONEMENT OF RATES FOR EXTREME FINANCIAL HARDSHIP

Objective

The objective of this policy is to assist ratepayers experiencing extreme financial hardship which affect their ability to pay rates.

Conditions and Criteria

Only rating units used solely for residential purposes (as defined by the Council) will be eligible for consideration for rates postponement for extreme financial hardship.

Only the person entered as the ratepayer, or their authorised agent, may make an application for rates postponement for extreme financial hardship on the rating unit which is the subject of the application. The person entered on the Council's rating information database as the "ratepayer" must not own, or have an interest in, any other rating units or investment properties (whether in the district or in another district).

The Council will consider, on a case by case basis, all applications received that meet the criteria described in the two paragraphs above.

When considering whether extreme financial hardship exists, all of the ratepayer's personal circumstances will be considered relevant including, but not limited to, the following factors: age, physical or mental disability, injury, illness and family circumstances.

Before approving an application 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, proper provision for maintenance of his or her home and chattels at an adequate standard as well as making provision for normal day to day living expenses.

Amount of Postponement

Where the Council decides to postpone rates, the ratepayer may be required to make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments.

Any postponed rates will be postponed until:

- the death of the 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 specified by the Council.

The Council may charge an annual fee on postponed rates for the period that the rates are postponed. This fee is designed to cover the Council's administrative and financial costs and may vary from year to year. The fee that will be charged in the 2003/04 financial year is \$50.

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 from the sale or lease of the rating unit.

An approved postponement will apply from the beginning of the rating year in which the application is made.

Application and Approval

When requested, the ratepayer (or authorised agent) must make an application to the Council each year on the prescribed form. Copies can be obtained from the Council Offices, or Customer Service Centres.

The Council will delegate authority to approve applications for rates postponement to particular officers.

3. REMISSION OF PENALTIES

Objective

The objective of this policy is to enable the Council to act fairly and reasonably in its consideration of rates which have not been received by the Council by the penalty date due to circumstances outside the ratepayer's control.

The intention is to have a fair and equitable approach to penalties. The Council's intention is that they are a method of encouraging payment on time, not a source of revenue.

Conditions and Criteria

1. Residential Ratepayers

Only rating units used solely for residential purposes (as defined by the Council) will be eligible for consideration for remission of penalties.

Only the person entered as the ratepayer, or their authorised agent, may make an application for remission of penalties of the rating unit which is the subject of the application.

The Council will consider, on a case by case basis, all applications received that meet one or more of the six criteria described below.

- a) Humanitarian grounds.
- b) Address problems which resulted in the rate account going to the wrong address.
- c) The ratepayer did not receive an account.
- d) The Council made a mistake.
- e) Problem caused by previous owners not paying rates in full before a property sale is completed.
- f) Other miscellaneous requests where a residential ratepayer has a good previous history and is paying the rate account within 10 days of the penalty date, or as soon as he/she reasonably can and has some plausible excuse for tardiness.

2. Business (Non Residential), Farmland and Utility Ratepayers

In general, businesses are expected to be "businesslike" and to be organised to pay their rates on time. The first five criteria above apply to businesses. Humanitarian grounds will only be applicable to smaller businesses where there is a specific person involved.

3. Agreement Ratepayers

Penalties will not be applied where a ratepayer has entered into a Payplan agreement or another repayment agreement and makes the regular rate payments that are agreed to.

4. Payment in Full by Second Instalment Date

Where a ratepayer has not paid the first instalment by the penalty date of that instalment, but has paid the total rates and charges by the second instalment date, any late payment penalties on the first instalment will be remitted.

Amount of Remission

If a remission of the penalty is approved, it will be the amount of the penalty imposed.

Application and Approval

In general, applications for waiver will be received per telephone. There is no need for them to be in writing unless the amount is more than \$500 or the penalty refers to the previous financial year.

The Council will delegate authority to approve applications for remission to particular officers.

4. REMISSION FOR CERTAIN TARGETED RATES ON FARMLAND

Objective

The objective of this policy is to provide for relief from certain targeted rates for rural land which is non-contiguous, farmed as a single entity and owned by the same ratepayer.

Conditions and Criteria

Rating units that meet the criteria under this policy may qualify for a remission of any targeted rate set on the basis of a fixed dollar charge per rating unit. The ratepayer will remain liable for at least one set of each type of charge.

The rating units must be owned by the same ratepayer.

Only one of the units may have any residential dwelling situated on the rating unit.

Where a ratepayer owns rating units that meet this criteria, and where any of the rating units lies within the district of an adjoining Local Authority which applies their sets of uniform annual charges to the rating units in the District, the Council may wave the uniform annual charges on those rating units.

Only the person entered as the ratepayer, or their authorised agent, may make an application for rates remission for the rating unit which is the subject of the application.

The Council will consider, on a case by case basis, all applications received that meet the criteria described in the two paragraphs above.

Amount of Remission

If a remission is approved, the ratepayer will only be charged one set of certain targeted rates.

An approved remission will apply from no later than the beginning of the next rating year from when the application is made.

Application and Approval

The ratepayer (or authorised agent) must make an application to the Council on the prescribed form. Copies can be obtained from the Council Offices, or Customer Service Centres.

The Council will delegate authority to approve applications for rates remission to particular officers.

5. REMISSION OF RATES ON LAND VOLUNTARILY PROTECTED FOR CONSERVATION PURPOSES

Objective

The policy is intended to link in with the Council's goal –

“To promote a quality environment and sustainable management of our resources by ensuring that existing values are not compromised and by encouraging improvement.”

More specifically, the intention is to encourage property owners to protect and preserve open spaces within the city for the benefit and enjoyment of present and future generations of the people of Dunedin.

This policy does not cover urban buildings, or properties which would more appropriately fall within the Council's rates remission for development policy.

Conditions and Criteria

The Council may remit rates where a rating unit meets the following criteria:

- 1 The rating unit is within the City. It may be a part of a larger property in which case the area concerned shall be separately rated; **and**
- 2 The rating unit must be protected by a binding covenant or agreement such as:
 - a. An open space covenant with the Queen Elizabeth the Second Trust; or
 - b. A conservation covenant with the Department of Conservation or a local government agency; or
 - c. A heritage covenant with the New Zealand Historic Places Trust; or
 - d. A protected private land agreement where an owner has an area set aside as “protected private land” under the Reserves Act 1977; or
 - e. A Maori reservation under the Maori Affairs Act; or
 - f. A Covenant similar to the above that is binding on both present and future owners; **and**
- 3 The conservation of the rating unit contributes to the benefit and enjoyment of citizens of Dunedin by preserving particular natural or historic or cultural features within the district. This could include, but is not limited to, the following features:
 - a. A specific area of forest or bush; or
 - b. A specific visual or scenic feature of the landscape; or
 - c. Any specific feature the conservation of which, in the view of the Council, meets the Council's goal in regard to the environment; **and**
- 4 The owner has applied for a rates remission under this policy.

- 5 When determining rates remission, and a particular application, the Council shall have regard to the following matters:
- The desirability of preserving particular natural or historic or cultural features within the district; **and**
 - Whether, and to what extent, the preservation of particular natural or historic or cultural features might be prejudicially affected if rates remission is not granted in respect of the land on which they are situated; **and**
 - Whether, and to what extent, preservation of particular natural or historic or cultural features are likely to be encouraged by the granting of rates remission; **and**
 - The extent to which the preservation of different types of natural, historic, and cultural features should be recognised by different criteria and conditions for rates remission, and whether different levels of rates remission should apply; **and**
 - The extent to which rates remission should be available where the preservation of natural or historic or cultural features does not restrict economic utilisation of the land; **and**
 - Such other matters as the local authority considers relevant.

Only the person entered as the ratepayer, or their authorised agent, may make an application for rates remission on the rating unit which is the subject of the application.

The Council will consider, on a case by case basis, all applications received that meet the criteria described in the paragraphs above.

Amount of Remission

If a remission is approved, the amount will be for all of the rates otherwise payable for a whole year, or years, or any lesser period.

Special Conditions

The Council may impose conditions on a property owner when granting relief.

Application and Approval

The ratepayer (or authorised agent) must make an application to the Council on the prescribed form. Copies can be obtained from the Council Offices, or Customer Service Centres.

Applications for rates remission under this provision shall be referred in the first instance to the Financial Controller who shall confirm that it complies with the first condition of this policy. The application shall then be referred to the Community and Recreation Services Manager who shall make a recommendation to the Finance and Strategy Committee.

6. REMISSION OF RATES FOR MAORI FREEHOLD LAND

The Council policy is that it has no specific policy for the remission of rates on Maori freehold land, however other Council rates remission policies may apply.

7. POSTPONEMENT OF RATES FOR MAORI FREEHOLD LAND

The Council policy is that it has no specific policy for the postponement of rates on Maori freehold land, however, other Council rates postponement policies may apply.