

# Rates Postponement POLICY

## About this Policy

This Policy aims to identify when a ratepayer may apply to have the payment of rates delayed due to personal circumstances.

# Rates Postponement Policy



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Responsibility:	Executive Manager Business Support	
Next review date:	2027	
Historic revision dates	10 July 2003 (RES 265/03) – <i>first adopted</i> , 28 May 2009 (134/09), 28 June 2012 (236/12), 18 June 2015 (15/165), 27 May 2021 (21/155), 29 May 2024 (CNCL2024-59)	
Review frequency:	Three yearly or as required.	
Approval authority:	Council	
Consultation required:	Special Consultative Procedures	
Associated Documents:	Long Term Plan and financial policies	

## 1. Policy Objectives

This policy identifies when a ratepayer may apply to have the payment of rates delayed due to personal circumstances.

The Policy recognises that land is a taonga tuku iho of special significance and the importance of retaining that land and facilitating its occupation, development and use for the benefit of its Māori owners, their whanau and hapū. The Council believes it has a role to encourage owners of Māori land to retain that land and to develop it in ways that benefits its owners, their whanau, and their hapū.

## 2. Principles

To assist ratepayers experiencing extreme financial circumstances that affect their ability to pay rates.

## 3. Background

Postponement of rates for 'Extreme Financial Hardship' is restricted to residential properties, rural properties and vacant urban land.

The purpose of the policy is to postpone the payment of rates (as distinct from remitting the payment of rates) to give the ratepayer time to make alternative arrangements and ensure that the debt owing to Council is secure.

## 4. Policy Statement

### 4.1. Conditions and Criteria

Limitation: Only properties used solely for residential purposes, rural properties and vacant urban properties (as defined by Council) will be eligible for consideration of rates postponement for extreme financial circumstances.

Only the person entered as the owner, or their authorized agent, may make an application for postponement.

The ratepayer must be the owner and must have owned the property for at least three years.

The ratepayer must not own other properties within or beyond the South Waikato District.

The application for postponement must be on the prescribed form.

When considering whether extreme financial circumstances exist, all the ratepayer's personal financial and other circumstances at the time of application will be relevant to the application.

When an application to postpone rates has been approved, both the ratepayer and Council must enter into a formal postponement agreement. The agreement will include:

- The amount of the postponement.
- The timeframe or conditions upon which the postponed rates will become due and payable.
- Acknowledgement that the postponed rates will be registered as a statutory charge against the properties title(s).
- Arrangements for the payment of future rates.
- The policy will apply from the beginning of the rating year in which the application is made but, depending on circumstances, Council may consider backdating the application.
- Even if rates are postponed, as a general rule, the ratepayer will be required to pay the first 30% of the total annual cost of rates, including the rates charged for refuse collection, sewage disposal and water supply.
- As the ratepayer's financial position improves, the ratepayer may elect to postpone a lesser sum than that to which they would be entitled under the agreement.

Any application for the postponement of rates not covered by this policy must be considered at a public excluded meeting of Council.

An application form is available from Council offices.

## 5. Definitions

<b>Rates</b>	Amounts set and assessed in accordance with the Local Government (Rating) Act 2002 and classified as General Rates or Targeted Rates. Rates include penalties payable on unpaid rates.
<b>Property</b>	A rating unit. Or as required by Section 20 of the Local Government (Rating) Act 2002, two or more rating units must be treated as one unit for settling a rate if those units are – (a) owned by the same person or persons; and (b) used jointly as a single unit; and (c) contiguous or separated only by a road, railway, drain, water race, river, or stream.

## 6. Relevant Delegations

Council has delegated authority to approve postponement of rates to the Chief Executive.

## 7. References and Relevant Legislation

Local Government Act 2002

Local Government (Rating) Act 2002.

## 8. Annotations

<b>Res No</b>	<b>Date</b>	<b>Subject/Description</b>
<b>265/03</b>	10/07/03	Policy adopted
<b>235/04</b>	24/06/04	Policy amended/confirmed as part of Long Term Council Community Plan process
<b>291/05</b>	23/06/05	Policy amended/confirmed as part of Annual Plan process
<b>347/06</b>	10/07/06	Policy amended/confirmed as part of Long Term Council Community Plan process
<b>134/09</b>	28/05/09	Policy amended/confirmed as part of Long Term Council Community Plan process
<b>236/12</b>	28/06/12	Policy amended/confirmed as part of Long Term Plan 2012-22 process
<b>165/15</b>	18/06/15	Policy amended/confirmed as part of Long Term Plan 2015-25 process
<b>21/155</b>	27/05/21	Policy amended/confirmed as part of Long Term Plan 2021-31 process
<b>CNCL 2024/59</b>	29/05/24	Reviewed and adopted as part of LTP 2024-34

## Appendix 1: Rates postponement application form

**CONFIDENTIAL Application for Postponement of Rates**



The following information is supplied for the benefit of applicants:

- Provision for the postponement of rates **on the grounds of financial hardship** is contained in Section 87 of the Local Government (Rating) Act 2002.
- Council has adopted a policy for **Rates Postponement**, under the provisions of the above Act, as part of its Long Term Plan.
- Applications, which will be treated as strictly confidential, will be accepted on the accompanying form.
- All applicants will be notified in writing of the outcome of their application.
- Interest, in the form of a postponement fee, as provided under Section 88 of the Act, will be charged on postponed rates. This compounding interest rate, which is added at 30 June each year, commencing from 30 June in the rating year following that in which the application was granted, is set at Council's current borrowing rate plus a further half of a percent to cover reasonable administration costs.
- A **Statutory Land Charge** will be lodged by the Council against the Certificate(s) of Title to the property to secure all rates postponed. There is no charge made for this. Rates secured by this Charge are a first call on the land and rank ahead of any mortgages advanced over the property.
- Except with the consent of the Council, no dealing with the land by the occupier shall be registered while any **Statutory Land Charge** is registered against the land, eg no mortgage can be registered (or discharged) without first obtaining the consent of Council.
- Postponed rates may be repaid at any time although, unless your financial circumstances have improved to the extent that postponement of rates is no longer necessary, this would be discouraged by Council.
- Any questions in relation to your application for postponement of rates should be directed to Council's Revenue Manager on (07) 885 0340.

Please read the postponement of rates policy, complete the relevant forms, and return to Council.

Retain these notes for your future reference.

**CONFIDENTIAL**  
**Application for Remission or Postponement of Rates**



Rates Department  
South Waikato District Council  
Private Bag 7  
TOKOROA 3444  
Telephone (07) 885 0340  
Email: rates@southwaikato.govt.nz

**Note: Any application for the postponement of rates not covered by this Policy must be considered at a Public-Excluded meeting of Council.**

**If you or your spouse/partner is receiving a Social Welfare Benefit, Superannuation or War Pension, please show details below:**

	Applicant		Spouse/Partner	
<b>Class of Benefit or Pension</b>				
<b>Benefit/Pension No:</b>				
<b>Your Surname:</b>				
<b>Your Christian Names:</b>				
<b>Your Address</b>				
<b>Have you any dependent children?</b>	Yes	No	Yes	No
<b>If yes, state number:</b>				

**Please state fully why you believe the payment of some or all of your rates will cause you financial hardship:**

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<b>Income received during the last 12 months</b>				
Please show details of all income. If you have no income write "nil" in the total panel.				
	<b>Applicant</b>	<b>Spouse/Partner</b>		
1. Social Welfare, , War Pension, Superannuation, other benefits/ allowances paid by Income Support	\$	\$		
2. Gross salary, wages, superannuation, income from business	\$	\$		
3. Amount received from boarders (including children)	\$	\$		
4. Allowances from relatives or others	\$	\$		
5. Gross rent you receive from property or rooms let	\$	\$		
6. Interest or dividends from bank accounts, shares, debentures, bonds, mortgages, loans, etc	\$	\$		
7. Money received from any other source such as maintenance, annuity, ACC, Kiwisaver, etc	\$	\$		
<b>Total Income</b>	\$	\$		
Names and addresses of employers or other persons from whom above income received.				
Item No:	Description			
<b>Expected Income</b>				
Do you or your spouse/partner anticipate any changes in income in the next 12 months?	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
If yes, please give details				
<b>Assets at Date of Application</b>				
This panel must be completed in all cases. If you do not have any assets, write "nil" in total. Please produce evidence of assets held.				
	<b>Applicant</b>	<b>Spouse/Partner</b>		
Land and buildings (less mortgages)	\$	\$		
Mortgage or money lent	\$	\$		
Money in bank accounts held by you or on your behalf	\$	\$		
Shares, debentures, bonds	\$	\$		
Any other assets not listed above, eg, car, boat, etc.	\$	\$		
<b>Total Assets</b>	\$	\$		
<b>Weekly Expenses and Commitments</b>				
Item	Amount	How Often	Paid to	Overdue
Rent				

Board				
Mortgage (1)				
Mortgage (2)				
Mortgage (3)				
Rates				
Insurance (house, contents)				
Insurance – Other (Life, vehicle, medical)				

**Hire Purchase – Loans – Rentals**

Repayment	How Often	Paid to	Goods Purchase & Date	Balance

**Other Regular Payments**

Amount	To Whom	How Often	Description of Payment



Declaration

Please complete the Statutory Declaration in the presence of an authorised person as stated below.

Statutory Declaration

I, (full name)

Of (address)

(Occupation)

Solemnly and sincerely declare that the statements on these forms are true and correct in every detail, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Signed

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Declared at ..... this.....day of.....20.....

In the presence of: .....

An authorised person is: a Member of Parliament, Justice of the Peace, Solicitor, Chartered Accountant, Registrar or Deputy Registrar of a District Court, Minister of Religion, Public Notary, Registrar of Electors, Authorised Officer of a Local Council or Government Department.

Privacy Statement

I acknowledge that:

1. Personal information concerning me provided to South Waikato District Council ("the Council"), whether contained in this form or otherwise obtained, is provided and may be held, used and disclosed by Council to:

(a) Enable Council to communicate with me for any purpose.

(b) Enable Council to provide me, or have provided to me, advice and information concerning products and services that Council believes may be of interest to me.

(c) Enable Council to administer and maintain its records and carry out its required functions.

2. The personal information provided in this request is collected by, and will be held by, Council, whose address is Torphin Crescent, Private Bag 7, Tokoroa 3444.

3. The collection of this information is authorised in terms of the Local Government (Rating) Act 2002.

4. The supply of this information is mandatory and if I fail to provide any of the information, Council can decline the application.

5. I have the right, under the Privacy Act 1993, to obtain access to and to request correct of any information held by Council concerning me.

Signed:

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