

Remission and Postponement of Rates Policy

Group Responsible: Chief Financial Officer

Date adopted: 29 June 2021

Implementation date: 1 July 2021

File No: R/20/8/32479

Purpose

The objectives of the policy are:

- to provide financial assistance and support to ratepayers where it is fair and reasonable to do so
- to address rating anomalies
- to provide Council with the ability to act reasonably in administering its rating powers and policies
- to support broader Council outcomes and specific objectives as detailed in this policy.

Southland District Council sets rates under s.23 of the Local Government (Rating) Act 2002. Rates are used by Council to fund costs once all other funding sources are taken into account.

Section 102 of the Local Government Act 2002 provides that a council may have a rates remission and postponement policy (the policy). This policy provides full details of each remission and postponement as well as the objectives and criteria for each.

This policy has been developed in accordance with s.85 and s.87 of the Local Government (Rating) Act 2002 (LGRA), and ss.102(2), s.109 and s.110 of the Local Government Act 2002 (LGA).

In addition to the provisions in this policy, the LGRA also identifies land that is non-rateable land under s.8 and schedule 1 (refer to Appendix A).

Definitions and abbreviations

TERM	MEANING
Service Rates	includes rates for water and wastewater rates and associated loan charges as well as for rubbish and recycling bins.
Sports Associations	includes societies, clubs or association of persons (whether incorporated or not) for games or sports, except galloping races, harness races, or greyhound races.
Significant Extraordinary Circumstances	as defined by Council resolution. Significant extraordinary circumstances may be natural or economic in nature (e.g. including, but not limited to, flood, earthquake, pandemic).
Financial Hardship	where a person, after seeking recourse from government benefits or applicable relief packages, is unlikely to have sufficient funds after the payment of rates to

TERM	MEANING
	reasonably meet the cost of goods, services and financial obligations (such as normal living expenses, health care, care of dependents) that are considered essential to the functioning of that entity according to New Zealand standards; in the case of a ratepayer who is not a natural person, it is the inability, after seeking recourse from government benefits or applicable relief packages, to reasonably meet the cost of goods, services and financial obligations that are considered essential to the functioning of that entity according to New Zealand standards.
Separately Used or Inhabited Part (SUIP)	As defined in Council’s most recent Annual or Long Term Plan funding impact statement. As at February 2021, SUIP includes <i>any portion of a rating unit inhabited or used by the owner/a person other than the owner, and who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence or other agreement. For the purposes of this definition, vacant land which is not used or inhabited is not a SUIP.</i>

Policy details

1. Remissions

1.1. Remission of rate penalties

Objective

To enable Council to act fairly and reasonably in its consideration of rates which have not been received by Council by the penalty date. Council recognises that applying penalties may exacerbate financial hardship and that in some instances there may be a fair and reasonable explanation for delays in payment.

Conditions and criteria

This policy provides for a discretionary right to remit penalties on rates in circumstances which Council considers it fair and reasonable to do so. Remission will only be granted once in a rating year. Payment must be made within the agreed timeframe of the due date, otherwise penalties may be re-applied. Penalty remission (in full or part) will be considered for:

- a. **late payment** provided that none of the previous four instalments were received late.
- b. **significant family disruption** where payment has been late in the case of death, illness or accident of a family member.
- c. **payment misallocation** where late payment has resulted from payments being allocated to the incorrect account due to ratepayer error (such as internet banking/account errors).
- d. **payment arrangement for arrears** where the ratepayer has entered into an arrangement with Council to collect arrears and where these arrangements are fully met.
- e. **temporary penalty hold** where the ratepayer or their authorised representative has contacted Council prior to a penalty date to advise that they will not have funds available to pay until after the due date and payment is subsequently made.
- f. **direct debit authority** to pay rates is commenced in time for the next instalment.

- g. **non-receipt of mail** where a ratepayer claims an invoice was not received and an agreement is made to receive future rates notices by email.
- h. where Council has identified that either **extreme financial hardship, exceptional circumstances** or **significant extraordinary circumstances** have occurred that warrants further leniency in relation to the enforcement of penalties that would otherwise have been payable. The criteria to be applied for significant extraordinary circumstances will be set out in a Council resolution that will be linked to the specific circumstances that have been identified by Council.

Supporting documentation required for application

Information required will depend on the circumstances and will be advised by Council staff.

1.2. Remission of small balances

Objective

To remit small balances which are uneconomical to collect.

Conditions and criteria

Council may write off the balance and penalties as it considers appropriate.

1.3. Remission of rates for community, sporting and other non-profit organisations

Objective

To assist community service, sporting and other non-profit organisations in recognition of the 'public good' contribution they make to the social and cultural wellbeing of the district where granting a rate remission will:

- assist in the organisation's survival
- make the organisation's services and/or membership more accessible to the general public.

Conditions and criteria

The conditions and criteria for the two types of rating unit categories are detailed below.

1.3.1. Community facilities owned by persons, general clubs, societies or associations

Rating unit(s) owned by a ratepayer and used for the purpose of a public hall, library, museum, art gallery, community service, healthcare or other similar institution which provide a benefit to the community as a whole may apply for a full remission of rates (with the exception of service rates) on that rating unit as follows:

- community facilities do not operate for private pecuniary profit
- community facilities do not receive any operational funding from government agencies or have any contracts for fee for service with government agencies. Community facilities which are rated for by Council are not considered to receive government funding under this policy
- community facilities operate on a voluntary basis and have no full-time or part-time paid employees or contractors operating in this capacity.

1.3.2. Small community and sports associations with club liquor licences

Rating unit(s) owned by small community or sports associations that hold a liquor licence which provide a benefit to the community may apply for partial remission of rates (with the exception of services rates) as follows:

- community and sports associations with a membership of up to 75 full time member equivalents shall be entitled to a 25% remission
- community and sports associations with a membership of not less than 75 and no greater than 100 full time member equivalents shall be entitled to a 12.5% remission
- this policy applies to land owned by Council or owned and occupied by a charitable organisation, which is used exclusively or principally for sporting, recreation, or community purposes other than galloping races, harness races and greyhound races
- this policy does not apply to organisations operated for private pecuniary profit
- the sporting club or organisation must hold the liquor licence as an incidental activity to the primary purpose of occupancy.

In all cases, land that is used for the private pecuniary profit of any members of the society or association shall not be eligible for a rates remission.

Supporting documentation required for application

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|---|---|
| <ul style="list-style-type: none"> • statement of objectives • constitution or trust deed (where applicable) • details of membership or clients (where applicable) • financial accounts | <ul style="list-style-type: none"> • information on activities and programmes • information on funding sources • other information as may be requested |
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1.4. Remission of rates for school wastewater charges

Objective

To provide relief and assistance to educational establishments that are subject to multiple pan charges for wastewater services as defined in the since repealed Rating Powers (Special Provision for Certain Rates for Educational Establishments) Amendment Act 2001.

Conditions and criteria

This part of the policy will apply only to educational establishments as defined in the repealed Rating Powers (Special Provision for Certain Rates for Educational Establishments) Amendment Act 2001. The Policy does not apply to any school house, or any part of a school used for residential purposes.

The calculated number of pans of any educational establishment in any one year subject to the relevant wastewater targeted rate will be the lesser of:

- the **actual** number of toilet pans in the establishment; or
- the **notional** number of toilet pans in the establishment. The notional number is calculated as one pan per 20 pupils/staff. A part thereof a notional pan will attract no charge.

Once the number of pans has been established as per the above methodology, the charging regime to apply to these educational establishments will be the same as for commercial ratepayers with multiple pans. That

is a fixed amount per Separately Used or Inhabited Part (SUIP) of the education establishment will apply for the first two pans, with the third or more pans attracting a charge for each pan at 50% of the corresponding fixed amount.

Supporting documentation required for application

Details of the number of pans or notional number of pans in the establishment.

1.5. Remission of roading rates on other utilities with no primary address

Objective

To provide relief for rating units classified as ‘Other Utilities’ from roading rates because their capital values may not correlate with the demands they place on the roading network. These rating units include infrastructure assets such as District water, wastewater and stormwater supply as well as utility and railway networks. Because of their nature, these rating units do not have a primary address or have high capital values or no recorded land value.

Further, these rating units supply services and infrastructure which benefit the community and district as a whole.

Council has taken the view that applying additional charges to these rating units is likely to result in costs being passed on to consumers.

Conditions and criteria

To be considered for remission of the roading rate, rating units must:

- be classified by Council’s valuation provider as ‘Other Utilities’; and
- have no primary address.

Supporting documentation required for application

Confirmation from the rating information database that the property is classified “other utilities”.

1.6. Remission of rubbish or recycling bin collection rates for cancellation/reduction of service

Objective

Where a ratepayer has been charged a rate for additional bin services and decides to cancel or reduce this service, they may be eligible for a remission for the part of the year where the service is cancelled or reduced.

Conditions and criteria

To be eligible for this form of remission a ratepayer must inform Council of the cancellation or reduction in bin service. Council’s contractor must confirm that the bin has been returned or is no longer available for the ratepayer to use before the remission will be applied.

Any remission will apply from the first day of the month after Council’s contractor has provided confirmation and apply until 30 June the following year. Remissions will be automatically offset against the ratepayers account.

Supporting documentation required for application

Information required will depend on the circumstances and will be advised by Council staff.

1.7. Remission of rates in exceptional circumstances

Objective

To provide rates or penalty remission in other instances where Council considers relief by way of rates remission is justified in the circumstances.

Conditions and criteria

The criteria for consideration for remission of rates (in full or part) in exceptional circumstances include, but are not limited to instances where:

- there are special circumstances in relation to the rating unit, or the incidence of the rates (or a particular rate) assessed for the rating unit, which mean that the unit rates are disproportionate to those assessed for comparable rating units
- the rating unit has been completely destroyed by fire (with any remission to be applied from the first of the month following the fire).

Each circumstance will be considered by Council on a case by case basis.

Supporting documentation required for application

Information showing evidence of the exceptional circumstances (such as insurance records, photographs).

1.8. Remission of rates for extreme financial hardship

Objective

To assist ratepayers experiencing extreme financial hardship which affects their ability to pay rates.

Conditions and criteria

Each application for remission due to extreme financial hardship will be considered on its own merits. Applications for the remission of rates (in full or part) may be made by a ratepayer, or their authorised representative, where the following can be demonstrated to Council's satisfaction:

- that the rating unit to which the application relates is the primary private residence owned and occupied by the ratepayer. Companies, trusts and other similar ownership structures of these properties do not qualify for this remission
- the property is used solely for residential purposes
- the ratepayer does not own (or have an interest in) any other rating units, including investment properties (whether in the district or elsewhere)
- the ratepayer has no assets except a low value property upon which rates are owed
- the ratepayer has taken all steps necessary to claim any central government benefits or allowances the ratepayer is entitled to receive to assist with the payment of rates (including the government rates rebate scheme)
- the ratepayer does not have the financial capacity to pay their rates or the rates would create extreme financial hardship for the ratepayer.

Council may also consider whether postponement of rates is a more suitable option.

Supporting documentation required for application

Information showing the ratepayer's financial records and commitments along with a statutory declaration from the ratepayer of their financial position (total household income and total financial position). Council may also seek independent verification from a budget advisor or other agency working with the ratepayer in considering the ratepayers position.

1.9. Remission of rates for significant extraordinary circumstances identified by Council

Objective

To assist ratepayers in response to **significant extraordinary circumstances** impacting the District's ratepayers where considered appropriate to do so.

Conditions and criteria

For this policy to apply, Council must first have identified that there have been significant extraordinary circumstances affecting the ratepayers of Southland, that Council wishes to respond to. Once significant extraordinary circumstances have been identified by Council, the criteria and application process (including an application form, if applicable), will be made available.

For a rating unit to receive a remission under this policy it needs to be an **"affected rating unit"** based on an assessment performed by officers, following guidance provided through a resolution of Council.

Council resolution will include:

- a. confirmation that the resolution applies under the rates remission policy; and
- b. identification of the significant extraordinary circumstances triggering the policy; and
- c. how the significant extraordinary circumstances are expected to impact the community (e.g. financial hardship); and
- d. the type and/or location of rating units affected by the special extraordinary circumstances for which the remission will apply to; and
- e. whether individual applications are required or a broad based remission will be applied to all affected rating units or large groups of affected rating units; and
- f. what rates instalment/s the remission will apply to; and
- g. whether the remission amount is either a fixed amount, percentage, and/or maximum amount to be remitted for each qualifying rating unit
- h. the timeframe for remission in relation to the significant extraordinary circumstances

Remissions approved under this policy do not set a precedent and will be applied for each specific event and only to properties directly affected by the event.

Explanatory Note

The specific response and criteria will be set out by Council resolution linking the response to specific significant extraordinary circumstances.

The criteria may apply a remission broadly to all rating units or to specific groups or to rating units that meet specific criteria such as proven financial hardship, a percentage of income lost or some other criteria as determined by Council and incorporated in a Council resolution.

Council will indicate a budget to cover the value of remissions to be granted under this policy in any specific financial year.

The types of remission that may be applied under this policy include:

- *the remission of a fixed amount per rating unit either across the board or targeted to specific groups such as:*
 - *a fixed amount per residential rating unit*
 - *a fixed amount per commercial rating unit*

Council may require applicants to meet specific criteria and provide evidence of such with the application.

Council will consider who is able to make applications (e.g. owner/ ratepayer/ authorised agents or, in the case of a company, the directors or where the ratepayer is not the owner of the rating unit, whether the owner must also provide written approval of the application).

Supporting documentation required for application

Information required will depend on the criteria set out by Council resolution linking the response to specific **significant extraordinary circumstances**. This could include demonstrating that the ratepayer has taken all necessary steps to claim any central government benefits or allowances they are entitled to receive that would assist them to meet their financial commitments.

1.10. Grants in lieu of remissions of rates

Objective

Where the application for remission does not meet other criteria listed above for remissions, but there is a community benefit gained from providing a remission, Council or the respective community board or committee of Council, may pay the rates on behalf of the ratepayer.

Conditions and criteria

Where such an application is made to Council or the respective community board or committee of Council, the appropriate body of elected representatives may resolve to pay the rates on behalf of the applicant or pay a grant to the applicant for the amount of the rates.

Such applications will be considered on a case by case basis. Applicants must demonstrate that rates cannot fairly and reasonably be expected to be funded from other sources and that providing a grant to fund rates will result in public benefit.

Any payments made as grants in lieu of remissions of rates shall be recorded as an expense against Council or the respective community board or committee of Council.

Supporting documentation required for application

Information explaining the reasons a grant is required and any supporting documentation appropriate (such as financial accounts, funding sources, commitments, objectives, details of the public benefit which would be gained from providing a grant in lieu of remitting rates).

2. Postponement

2.1. Postponement of rates for extreme financial hardship

Objective

To assist ratepayers experiencing extreme financial hardship which temporarily affects their ability to pay rates.

Conditions and criteria

Each application for postponement due to extreme financial hardship will be considered on its own merits. Applications for postponement of rates (in full or part) may be made by a ratepayer, or their authorised representative, where the following can be demonstrated to Council's satisfaction:

- that the rating unit to which the application relates is the primary private residence owned and occupied by the ratepayer. Companies, trusts and other similar ownership structures of these properties do not qualify for this postponement
- the property is used solely for residential purposes
- the ratepayer has not less than 25% equity in the property
- the ratepayer does not own (or have an interest in) any other rating units, including investment properties (whether in the district or elsewhere) or have a significant interest in a business or shares
- the ratepayer has no assets except a low value property upon which rates are owed
- the ratepayer has taken all steps necessary to claim any central government benefits or allowances the ratepayer is entitled to receive to assist with the payment of rates (including the government rates rebate scheme)
- the ratepayer does not have the financial capacity to pay their rates instalment or the instalment would create extreme financial hardship for the ratepayer

Council may charge an annual postponement fee on postponed rates¹ to cover, but not exceed, Council's administrative and financial costs (including interest). Postponement fees must be treated as part of the rates on a rating unit and will be set annually as part of the rates resolution.

All postponed rates shall be registered as a charge on the land under the subpart 5 of the Land Transfer Act 2017. No dealing with the land may be registered by the ratepayer while the charge is registered, except with the consent of Council.

Rates may be postponed until the earliest of the following:

- the death of the ratepayer; or
- the ratepayer ceases to own the rating unit; or
- a date specified by Council; or
- the postponed rates equate to 80% of the available equity in the property;
- a date when the ratepayer ceases to use the property as his/her permanent place of residence; or to use the property solely for residential purposes.

¹ for the period between the due date and the date they are paid

Rates postponement agreements shall not exceed six years, but the ratepayer may apply for a continuation of the postponement at the termination of the agreement.

When an application for postponement is approved, the following provisions will apply:

- postponement will first apply in the year a completed application is received.
- the amount of rates postponed will not incur additional charges
- instead of Council requiring payment of the full annual rates bill in the year in which it falls due, the ratepayer will be required to pay to Council an appropriate minimum amount determined by staff in line with Council's Delegations Manual.
- any rates postponed shall be registered as a charge on the land.

Not less than once annually every ratepayer whose rates have been postponed under this policy, will be provided with a statement showing the total annual rates currently due. This will be itemised to show year by year the total amount of the postponed rates and postponement fees.

Following the end of the financial year, a schedule of rates postponed will also be provided to Council (annually), listing all the properties for which rates postponements have been granted and which remain outstanding.

When rates are no longer eligible to be postponed on the property, all postponed rates will be payable immediately.

The postponed rates (and/or any additional charges) 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 otherwise be entitled to have postponed under this policy.

Supporting documentation required for application

Information showing the ratepayer's financial records and commitments along with a statutory declaration from the ratepayer of their financial position (total household income and total financial position) and detailing the value of the ratepayer's property insurance and the value of encumbrances against the property including mortgages and loans. Council may also seek independent verification from a budget advisor or other agency working with the ratepayer in considering the ratepayers position. The applicants will also be encouraged to seek independent advice.

2.2. Postponement for Significant Extraordinary Circumstances

Objective

To provide a rates postponement to ratepayers experiencing financial hardship directly resulting from Significant Extraordinary Circumstances that temporarily affects their ability to pay rates.

Conditions and Criteria

For this policy to apply, Council must first have identified that there have been significant extraordinary circumstances affecting the ratepayers of Southland, that Council wishes to respond to. Once significant extraordinary circumstances have been identified by Council, the criteria and application process (including an application form, if applicable), will be made available.

For rates to be postponed, a ratepayer needs to be associated to an "affected rating unit" based on an assessment performed by officers, following guidance provided through a resolution of Council.

Council resolution will include:

- a. confirmation that the resolution applies under the Rates Postponement Policy; and
- b. identification of the significant extraordinary circumstances triggering the policy; and
- c. how the significant extraordinary circumstances are expected to impact the community (e.g. financial hardship); and
- d. the type and/or location of rating units affected by the special extraordinary circumstances; and
- e. the timeframe for postponement in relation to the significant extraordinary circumstances.

Postponements approved under this policy do not set a precedent and will be applied for each specific event and only to properties directly affected by the event.

Council may charge a fee on postponed rates for the period between the due date and the date they are paid. This fee is designed to cover Council's administrative and financial costs. The fees will be set as part of Council resolution identifying significant extraordinary circumstances.

Postponed rates will remain postponed until the earlier of:

- The ratepayer/s ceases to be the owner or occupier of the rating unit; or
- A date specified by Council in a Council resolution identifying significant extraordinary circumstances.

Explanatory Note

The ratepayer must demonstrate, to Council's satisfaction that paying the rates would result in financial hardship.

Council may require applicants to meet specific criteria and provide evidence of such with the application.

Council will consider applications where the same ratepayer is liable for rates for multiple rating units. In such instances, Council will look at the collective impact to the ratepayer.

The ratepayer must be the current ratepayer/ owner for the rating unit at the time significant extraordinary circumstances are identified by Council. Only the person/s entered as the ratepayer (in the case of a close company every director must sign the application form), or their authorised agent, may make an application for rates postponement for significant extraordinary circumstances that resulted in financial hardship.

Where Council decides to postpone rates, the ratepayer must make acceptable arrangements for payment of rates, for example by setting up a system for regular payments. Such arrangements will be based on the circumstances of each case.

Supporting documentation required for application

Information required will depend on the criteria set out by Council resolution linking the response to specific significant extraordinary circumstances. This could include demonstrating that the ratepayer has taken all necessary steps to claim any central government benefits or allowances they are entitled to receive that would assist them to meet their financial commitments.

Making an application

Applications for rates remission or postponement will generally be provided in writing, unless otherwise stated.

Applications for remissions or grants in lieu of rates must be made prior to the commencement of the rating year (ideally on or before 31 March prior to the commencement of the rating year unless otherwise stated). Applications received during a rating year will be applicable from the commencement of the following rating year. Applications will not be backdated. Applications for postponement of rates due to financial hardship can be made at any time.

In subsequent years, Council will need to confirm eligibility and recipients will need to inform Council of any change in circumstances that impacts their eligibility for remission.

Remission or postponement ceases where a property is sold or ownership transferred, or where there is a change in operations or landuse (for specific remissions/postponements).

Eligibility will generally be reviewed every three years as part of the review of the policy unless stated otherwise.

All decisions made under this policy by Council, Council staff and committees of Council are final. Specific delegations to staff roles are found in Council's Delegations Manual.

Each provision above outlines the documentation that should be provided in support of any application, noting that Council may also request additional information.

Roles and responsibilities

Council's Delegations Manual (R/19/11/25582) details the specific responsibilities of Council and staff to make decisions in relation to rate remissions and postponement.

Council staff have delegated authority to make decisions on specific remissions/postponements excluding:

- **Significant extraordinary circumstances** - which can only be made by Council
- **Grants in lieu of rate remissions** - which can only be made by Council or the appropriate committee of Council or community board.

Staff from Council's water and waste teams are responsible for providing information regarding remissions for rating units that have the capacity to be connected to water and wastewater systems, but do not have a physical connection and when remissions for waste and recycling bins are required.

Associated documents

- Remission and Postponement of Rates on Māori Freehold Land Policy
- Local Government (Rating) Act 2002
- Local Government Act 2002

Appendix A – Extract of Local Government Rating Act Schedule 1 Part 1 and 2 (as at February 2021)

Reprinted as at
1 December 2020

Local Government (Rating) Act 2002

Schedule 1

Schedule 1 Categories of non-rateable land

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Part 1 Land fully non-rateable

- 1 Land forming part of—
 - (a) a National Park under the National Parks Act 1980;
 - (b) a reserve under the Reserves Act 1977;
 - (c) a conservation area under the Conservation Act 1987;
 - (d) a wildlife management reserve, wildlife refuge, or wildlife sanctuary under the Wildlife Act 1953.
- 2 Land vested in the Crown and forming part of—
 - (a) a flood ponding area;
 - (b) *[Repealed]*
 - (c) *[Repealed]*
 - (d) the bed of any navigable lake or navigable river.

Schedule 1 Part 1 clause 2(b): repealed, on 1 April 2011, by section 128 of the Marine and Coastal Area (Takutai Moana) Act 2011 (2011 No 3).

Schedule 1 Part 1 clause 2(c): repealed, on 1 April 2011, by section 128 of the Marine and Coastal Area (Takutai Moana) Act 2011 (2011 No 3).
- 3 Land that is—
 - (a) owned by a society or association of persons (whether incorporated or not); and
 - (b) used for conservation or preservation purposes; and
 - (c) not used for private pecuniary profit; and
 - (d) able to be accessed by the general public.
- 4 Land used by a local authority—
 - (a) for a public garden, reserve, or children’s playground;
 - (b) for games and sports (except galloping races, harness races, or greyhound races);
 - (c) for a public hall, library, athenaeum, museum, art gallery, or other similar institution;
 - (d) for public baths, swimming baths, bathhouses, or sanitary conveniences;
 - (e) for soil conservation and rivers control purposes, being land for which no revenue is received.

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Schedule 1

Local Government (Rating) Act 2002

Reprinted as at
1 December 2020

- 5 Land owned or used by, and for the purposes of,—
 - (a) Heritage New Zealand Pouhere Taonga;
 - (b) the Queen Elizabeth the Second National Trust;
 - (c) the Museum of New Zealand Te Papa Tongarewa Board;
 - (d) the charitable trust known as Children’s Health Camps—The New Zealand Foundation for Child and Family Health and Development;
 - (e) the Royal New Zealand Foundation of the Blind, except as an endowment.

Schedule 1 Part 1 clause 5(a): replaced, on 20 May 2014, by section 107 of the Heritage New Zealand Pouhere Taonga Act 2014 (2014 No 26).

Schedule 1 Part 1 clause 5(e): amended, on 30 April 2003, by section 28(1) of the Royal New Zealand Foundation of the Blind Act 2002 (2002 No 3 (P)).
- 6 Land owned or used by, and for the purposes of, any of the following as defined in section 10(1) of the Education and Training Act 2020:
 - (a) a State school;
 - (b) a State integrated school;
 - (c) a specialist school;
 - (d) a special institution;
 - (e) an early childhood education and care centre, except an early childhood education and care centre that operates for profit;
 - (f) a private school, except a registered school that operates for profit;
 - (g) an institution.

Schedule 1 Part 1 clause 6: replaced, on 1 August 2020, by section 668 of the Education and Training Act 2020 (2020 No 38).
- 7 Land owned or used by, and for the purposes of, an institution for the instruction and training of students in theology and associated subjects, being land that does not exceed 1.5 hectares for any one institution.
- 8 Land owned or used by a district health board and used to provide health or related services (including living accommodation for hospital purposes and child welfare homes).
- 9 Land used solely or principally—
 - (a) as a place of religious worship;
 - (b) for a Sunday or Sabbath school or other form of religious education and not used for private pecuniary profit.
- 10 Land that does not exceed 2 hectares and that is used as—

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- (a) a cemetery, crematorium, or burial ground, within the meaning of section 2(1) of the Burial and Cremation Act 1964 (except a burial ground or crematorium that is owned and conducted for private pecuniary profit);
 - (b) a Māori burial ground.
- 11 Māori customary land.
- 12 Land that is set apart under section 338 of Te Ture Whenua Maori Act 1993 or any corresponding former provision of that Act and—
- (a) that is used for the purposes of a marae or meeting place and that does not exceed 2 hectares; or
 - (b) that is a Māori reservation under section 340 of that Act.
- 13 Māori freehold land that does not exceed 2 hectares and on which a Māori meeting house is erected.
- 14 Māori freehold land that is, for the time being, non-rateable by virtue of an Order in Council made under section 116 of this Act, to the extent specified in the order.
- 15 Machinery, whether fixed to the soil or not, but excluding, in the case of a hydro-electric power station, everything other than the turbines, generator, and associated equipment through which the electricity produced by the generator passes.
- 16 Land that is specifically exempt from rates under the provisions of any other enactment, to the extent specified in the enactment.
- 17 Land vested in the Crown or a local authority that is formed and used for a road, limited access road, access way, or service lane.
- 18 Land vested in and occupied by the Crown, or by any airport authority, that is—
- (a) within the operational area of an aerodrome; and
 - (b) used solely or principally—
 - (i) for the landing, departure, or movement of aircraft; or
 - (ii) for the loading of goods and passengers on to or from aircraft.
- 19 Land occupied by the New Zealand Railways Corporation, or by a railway operator, that is—
- (a) part of the permanent way of the railway, being land on which is sited any railway line together with contiguous areas of land that are occupied incidentally and not otherwise used; or

- (b) used, solely or principally, for the loading or unloading of goods or passengers on to or from trains situated on the railway line.
- 20 Land used as a wharf.
- 21 Land used or occupied by, or for the purposes of, an institution that is carried on for the free maintenance or relief of persons in need, being land that does not exceed 1.5 hectares for any one institution.
- 22 Land on which any vice-regal residence or Parliament building is situated.
- 23 The common marine and coastal area, including any customary marine title area, within the meaning of the Marine and Coastal Area (Takutai Moana) Act 2011.
- Schedule 1 Part 1 clause 23: added, on 1 April 2011, by section 128 of the Marine and Coastal Area (Takutai Moana) Act 2011 (2011 No 3).
- 24 The bed of Te Whaanga Lagoon in the Chatham Islands.
- Schedule 1 Part 1 clause 24: added, on 1 April 2011, by section 128 of the Marine and Coastal Area (Takutai Moana) Act 2011 (2011 No 3).
- 25 Structures that are—
- (a) fixed to, or under, or over any part of the common marine and coastal area; and
 - (b) owned, or deemed to be owned, by the Crown under section 18 or 19 of the Marine and Coastal Area (Takutai Moana) Act 2011; or
 - (c) owned by the Crown, Te Urewera Board, or the trustees of Tūhoe Te Uru Taumatua under the Te Urewera Act 2014, but subject to note 2.
- Schedule 1 Part 1 clause 25: added, on 1 April 2011, by section 128 of the Marine and Coastal Area (Takutai Moana) Act 2011 (2011 No 3).
- Schedule 1 Part 1 clause 25(b): amended, on 28 July 2014, by section 138 of the Te Urewera Act 2014 (2014 No 51).
- Schedule 1 Part 1 clause 25(c): inserted, on 28 July 2014, by section 138 of the Te Urewera Act 2014 (2014 No 51).

Notes:

- 1 For the purposes of this Part, unless the context otherwise requires,—
- aerodrome** has the same meaning as in section 2 of the Civil Aviation Act 1990
- airport authority** has the same meaning as in section 2 of the Airport Authorities Act 1966
- persons in need** means persons in New Zealand who need care, support, or assistance because they are orphaned, aged, infirm, disabled, sick, or needy
- railway line** has the same meaning as in section 4(1) of the Railways Act 2005

railway operator has the same meaning as in section 2(1) of the New Zealand Railways Corporation Restructuring Act 1990

wharf—

- (a) means any quay, pier, jetty, or other land or premises in, on, or from which passengers or goods are taken on board or landed from vessels; but
 - (b) does not include land that is used primarily or exclusively for private recreational or personal transport purposes.
- 2 For the purposes of clauses 1 and 2, **land** does not include land that is used primarily or exclusively for private or commercial purposes under a lease, licence, or other agreement.
 - 3 For the purposes of clauses 3, 9, and 10, land must not be treated as being used for private pecuniary profit solely because charges are made for the admission to, or use of, that land if the net proceeds of the charges are applied,—
 - (a) in the case of a local authority, as part of the local authority's revenues;
 - (b) solely for the purposes of the society, organisation, association, or administering body of a reserve that makes those charges, and no part of the charges is distributed as profit to any individual.
 - 4 For the purposes of clause 6, land must be treated as being used for the purposes of a school, institution, or centre described in that clause if—
 - (a) it is used solely or predominantly as residential accommodation for any principal, teacher, or caretaker; and
 - (b) it is let at a discounted or subsidised rent.
 - 5 For the purposes of clauses 18 to 20, **land** does not include land that is used—
 - (a) for administrative purposes; or
 - (b) for the purposes of parking, the storage of freight or machinery, maintenance, cleaning, freight consolidation, passenger waiting areas, and the buying and selling of tickets.
 - 6 For the purposes of clause 21, an institution must be treated as being carried on for the free maintenance and relief of the persons to whom that clause applies if—
 - (a) those persons are admitted to the institution regardless of their ability to pay for the maintenance or relief; and
 - (b) no charge is made to those persons or any other persons if payment of the charge would cause those persons to suffer hardship.

Schedule 1 Part 1 note 1 **railway line**: substituted, on 20 July 2005, by section 103(3) of the Railways Act 2005 (2005 No 37).

Part 2

Land 50% non-rateable

- 1 Land owned or used by a society incorporated under the Agricultural and Pastoral Societies Act 1908 as a showground or place of meeting.
- 2 Land owned or used by a society or association of persons (whether incorporated or not) for games or sports, except galloping races, harness races, or greyhound races.
- 3 Land owned or used by a society or association of persons (whether incorporated or not) for the purpose of any branch of the arts.

Notes:

For the purposes of this Part, unless the context otherwise requires,—

land does not include land used for the private pecuniary profit of any members of the society or association

land, in clause 2, excludes land in respect of which a club licence under the Sale and Supply of Alcohol Act 2012 is for the time being in force.

Schedule 1 Part 2 Notes **land**: amended, on 18 December 2013, by section 417(1) of the Sale and Supply of Alcohol Act 2012 (2012 No 120).

Compare: 1988 No 97 Schedule 1, Schedule 2