

*Te arotakenga o te whakataha reiti
me ngā kaupapa whakatārewa*



Rates Remission and Postponement Policies review

Te Taukī Whakakaupapa **Statement of Proposal**



Overview

What are rates remissions?

Essentially, rates remissions are reductions in rates based on meeting certain criteria of the rates remissions policies. It's like a tax exemption that reduces the total tax paid.

Why are rates remissions needed?

Rates are calculated using factors listed in the Local Government (Rating) Act. These factors relate just to the property location, value, size and/or services provided. This can sometimes lead to rates that we consider unfair based on the circumstances, or when paying the rates would result in extreme hardship.

Why has this policy been reviewed?

Before 2022, the city and district councils in our region collected rates on our behalf. This meant that most of our rates remissions followed the policies of the relevant local council. As a result, properties across the region were treated differently, depending on their location.

In 2022, we started collecting our own rates, but agreed to continue applying the existing city and district council remissions policies for two years, or until a new policy had been developed. This review is to develop policies that treats properties across the region in the same way and reflects our own principles, objectives, and priorities.

Having a separate policy for Māori Freehold Land makes it easier to distinguish between the different types of land and the policies that apply.

What has happened so far?

During 2023, we considered options for new policies at several public workshops. During the workshops, a thorough review of all current and potential provisions was undertaken and two new policies were developed.

To help us understand the rating issues facing owners of whenua Māori, a survey and hui took place where trustees, administrators and landowners, could share their experiences of dealing with the complex legislative and administrative challenges involved when making decisions about properties with Māori Freehold Land (or similar) statuses.

What is being proposed?

We propose to replace our existing Rates Remission and Postponement Policy, adopted in June 2022, with two new policies:

- **Rates Remission and Postponement Policy (All Land)**
- **Rates Remission and Postponement Policy for Māori Freehold Land**

Te kaupapa whakatārewa me te whakataha reiti (Whenua katoa)

Rates Remission and Postponement Policy (All Land)

Whakarāpopotonga o ngā panonitanga tono

Summary of proposed changes



All Land Proposal 1

Transition to new policies

Under the proposed policy, some ratepayers will no longer be eligible for remissions they received when we applied the policies of the city and district councils. As a result, the affected ratepayers will receive higher rates bills.

We propose to phase in the impact of higher rates, due to a loss of remissions, evenly over two years. Half the rates increase will be applied from 1 July 2024, and the full increase applied from 1 July 2025.

Refer to Section 16 of the proposed policy for details.



All Land Proposal 2

Contiguous properties treated as one unit

Under legislation, two or more rating units must be treated as one unit for rates if they:

- Have the same owner; and
- Are used jointly as a single unit; and
- Are contiguous or separated only by a road, railway, drain, water race, river, or stream.

This means that properties made up of several neighbouring rating units with the same owner and being used as a single unit (e.g. a farm), would only pay one Uniform Annual General Charge.

Some local councils provide a remission when only some of these three conditions are met, so in 2022/23 and 2023/24, we did the same.

We propose that from 1 July 2024, only rating units that meet all three of the legislated criteria will be treated as one rating unit.

As a result of the changes, some of our ratepayers will no longer be eligible for a remission, which will mean an increase in their rates bill. Ratepayers affected by this would be eligible for the transition remission.

Refer to Section 3 of the proposed policy.



All Land Proposal 3 **Priority Biodiversity Sites**

We propose a new remission category to recognise and encourage active management and protection of Priority Biodiversity Sites that have been identified by Council.

Landowners with a Priority Biodiversity Site on their land can apply for a remission if the site is legally protected and actively managed.

Remissions are limited to the land-value based portion of General Rates.

Refer to Section 10 of the proposed policy for details.



All Land Proposal 4 **Incentives to establish native forests or wetlands on newly retired pastoral land**

We propose a new remission category to encourage the establishment of native forests or wetlands on newly retired pastoral land.

If landowners convert pastoral land to wetland or native forest, after 30 June 2024, and it is protected and actively managed, Council will consider remission of the land-value based portion of General Rates.

Refer to Section 11 of the proposed policy for details.



All Land Proposal 5

Community, sporting, and not-for-profit organisations

Legislation provides that some land used for community, sporting and not-for-profit purposes is 100% or 50% non-rateable. In addition, councils often provide remissions to a wider range of properties, and some increase the discount amount as well.

Each of the local councils in the Bay of Plenty have slightly different policies, so in 2022/23 and 2023/24 when we followed the local policies, our ratepayers were treated differently depending on their local council area.

We propose up to 100% of rates may be remitted on land where:

- **the ratepayer or long-term lessee is a not-for-profit organisation, that**
- **provides sports, arts, or community facilities or services that benefit the public, and**
- **no private financial profit is received by the members.**

Land used for galloping, harness or greyhound racing is not eligible.

Refer to Section 12 of the proposed policy for details.



All Land Proposal 6 **Financial hardship**

Our June 2022 policy required ratepayers to be eligible for a financial hardship remission from their local council. This meant that some of our ratepayers were treated differently to others because of the different approaches taken by each local council.

We propose removing this requirement and instead will assess the eligibility and circumstances of each ratepayer individually.

Refer to Section 13 of the proposed policy for details.

Te kaupapa whakatārewa me te whakataha reiti mō te Whenua Herekore Māori (MFL)

Rates Remission and Postponement Policy for Māori Freehold Land (MFL)

Context of Māori Freehold Land

During development of the proposed policy, we heard how important it is to recognise the differences between Māori land and other land, both culturally and in legislation.

Our proposed policy acknowledges the history and context of Māori land, and recognises that from a te ao Māori perspective, land is valued for a multitude of reasons other than as a resource to be used or developed for human benefit. The policy principles support the principles in the Preamble to the Te Ture Whenua Māori Act.

We also note categories of land that are wholly or partially non-rateable in legislation, for clarity.

Whakarāpopotonga o ngā panonitanga tono

Summary of proposed changes



Māori Freehold Land Proposal 1

Definition of land covered by the MFL policy

The June 2022 policy only applies to land legally recognised as Māori Freehold Land.

We propose to extend the definition of MFL (for the purposes of the policy) to also include:

- ***At Council's discretion, former Māori freehold land whose status was changed to General Land under the Māori Affairs Amendment Act 1967; or***
- ***Land classified as General land owned by Māori (as defined in Te Ture Whenua Māori Act 1993 and administered by the Māori Land Court); or***
- ***Any land, regardless of its status, returned to a Māori trust, iwi, hapū or other entity, by the Crown or Local Government body, as redress or compensation for a historic wrongdoing or breach of the Treaty of Waitangi.***

We propose to extend the eligibility to include MFL where there is no identifiable trust, person or owner gaining any benefit from the land.

Refer to Section 6 of the proposed policy for details.



Māori Freehold Land Proposal 2

MFL being developed for economic use

The current policy does not provide for postponements of rates, only remissions.

We propose the option of postponements as well as remissions for proposed developments. Direction about how long the rates relief would apply is included.

Refer to Section 9 of the proposed policy for details.



Māori Freehold Land Proposal 3

MFL being developed for papakāinga or other housing or accommodation

In the current policy, the period of remission was generally limited to five years or less.

We propose extending the remission period beyond the usual limit of five years, in exceptional circumstances, provided the accommodation has not yet been occupied.

We have developed an online step by step tool on our Bay of Plenty Regional Council website to assist landowners, trustees, and administrators of Māori land. The decision tree is designed to help simplify the complex processes, that often relate to rates and rates remissions on Māori Land. We expect it to be available from early March 2024.

Refer to Section 10 of the proposed policy for details.

Uiuinga me ngā tukunga

Consultation and Submissions

We want to know what you think. Toi Moana Bay of Plenty Regional Council welcomes your views and feedback.

What's a submission?

A submission is a statement in support of, or in opposition to, any part of this statement of this proposal and the **Draft Rates Remission and Postponement Policy (All Land)** or the **Draft Rates Remission and Postponement Policy for Māori Freehold Land (MFL)**. Any organisation or member of the public can make a submission.

How to get a full copy of the Draft Rates Remission and Postponement Policies

- Phone us on 0800 884 880 or email us at **rates@boprc.govt.nz** and we'll send one to you.
- Visit participate.boprc.govt.nz/rates-remission-review and read it online.
- Copies of the draft Rates Remission and Postponement Policies can also be viewed at or picked up from any of our offices.
 - 5 Quay Street, Whakatāne
 - 1118 Fenton Street, Rotorua
 - 1 Elizabeth Street, Tauranga

How do I make a submission?

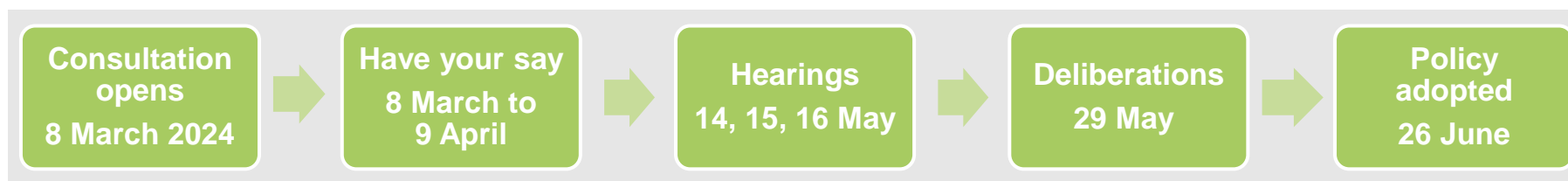
You can visit our Participate page participate.boprc.govt.nz and download a submission form or make a submission electronically online.

Key tips:

- Be brief and clear about the matters that you support or oppose.
- State the most important points you want Toi Moana Bay of Plenty Regional Council to consider.

- Make your comments as specific as possible.
- Note which part of the draft policy, statement of proposal or summary your comments refer to, by including page numbers and sections.
- Clearly state your name, address, email and telephone number.

People who make a written submission can also speak to their submission at hearings scheduled for May 2024. Following the hearings, we will make final decisions on the policy in June 2024. Any changes made through those decisions will be reflected in the final Rates Remissions and Postponements Policies and published on Council's website effective from 1 July 2024.



Submissions close at 4:00 pm on Tuesday, 9 April 2024

Please see participate.boprc.govt.nz/long-term-plan-2024-2034 for further information on other 2024-34 Long Term Plan aligned consultations:

- Revenue and Financing Policy
- Fees and Charges Policy
- Development and Financial Contributions Policy

Puka Whakauru

Submission form

Your details

First name: _____ Last name: _____

Phone number: _____

Email address: _____

Postal address: _____

Your contact details are requested so that you can be kept informed of the hearings process and the outcomes of any decisions. A summary of all submissions will be published on our website www.boprc.govt.nz including names of submitters.

Do you wish to keep your contact details confidential? ☐ Yes ☐ No

Understanding our community

As part of our commitment to inclusivity, we request demographic information such as age, gender, ethnicity, and location. This information will be treated with the utmost confidentiality, stored securely, and used solely for statistical analysis. Your privacy is our priority, and we adhere to stringent data protection measures. Participation in providing this information is entirely voluntary, and you may choose not to disclose any demographic details.

How do you identify your gender?

- ☐ Male / Tāne
- ☐ Female / Wahine
- ☐ Another gender / He ira kē anō
- _____
- ☐ Prefer not to say

What year were you born? _____

Which district do you live in?

- | | | | |
|--------------------------------|---|-------------------------------|-----------------------------|
| <input type="radio"/> Tauranga | <input type="radio"/> Western Bay of Plenty | <input type="radio"/> Ōpōtiki | <input type="radio"/> Taupō |
| <input type="radio"/> Rotorua | <input type="radio"/> Whakatāne | <input type="radio"/> Kawerau | <input type="radio"/> Other |

What is your ethnicity?

- | | |
|--|---|
| <input type="radio"/> NZ European (Pākehā) | <input type="radio"/> Chinese |
| <input type="radio"/> Māori | <input type="radio"/> Indian |
| <input type="radio"/> Samoan | <input type="radio"/> Prefer not to say |
| <input type="radio"/> Cook Islander | <input type="radio"/> Other - e.g. Dutch, Japanese, Tokelauan etc |
| <input type="radio"/> Tongan | _____ |
| <input type="radio"/> Niuean | _____ |

Your postcode

Please tick all that apply to you

- ☐ I am a rate payer ☐ I am not a rate payer
- ☐ I have shares or ownership in whenua Māori
- ☐ I currently receive a rates remission from Bay of Plenty Regional Council

Are you submitting as an individual, for someone else or on behalf of an organisation?

- ☐ Individual
- ☐ On behalf of someone else
- ☐ Organisation

If you are completing this on behalf of an organisation/group/marae, please indicate below

- ☐ Marae
- ☐ Ahu Whenua Trust
- ☐ Private business
- ☐ Charitable Trust
- ☐ Sporting Club
- ☐ Hapū or Iwi
- ☐ Other

Speaking to your submission

All submitters have the opportunity to present their feedback to council during the hearings process. Please indicate your preferred option below.

Do you wish to speak to your submission?

- ☐ Yes
- ☐ No

I will present in

- ☐ English
- ☐ Te Reo Māori
- ☐ NZ Sign Language

Where would you prefer to present?

- ☐ Whakatāne
- ☐ Rotorua
- ☐ Tauranga
- ☐ On a Marae
- ☐ Online i.e. Zoom

When would you prefer to present?

- ☐ Between 9am and 4pm
- ☐ After 5pm

Feedback

I wish to give feedback on

- ☐ Rates Remission and Postponement Policy - All Land
- ☐ Rates Remission and Postponement Policy - Māori Freehold Land
- ☐ Both

Rates Remission and Postponement Policy (All Land)

Do you support the proposed policy “Rates Remission and Postponement Policy (All Land)”?

☐ Yes

☐ No

☐ In parts

☐ Other

Please indicate how you feel about the proposed changes to Rates Remission and Postponement Policy (All Land) (Please tick one option for each statement)

	Strongly oppose	Oppose	Neutral	Support	Strongly support
New remission recognising Priority Biodiversity Sites	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
New remission incentive to establish native forests or wetlands on newly retired pastoral land	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Remission for some community, sporting and not for profit organisations	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Financial hardship considerations	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Changes to criteria for contiguous properties	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Transition phase of two years for those impacted by this new policy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Do you have any more feedback you'd like to give on this proposed policy? (All Land)

Rates Remission and Postponement Policy (Māori Freehold Land)

Do you support the proposed policy “Rates Remission and Postponement Policy for Māori Freehold Land”?

☐ Yes

☐ No

☐ In parts

☐ Other

Please indicate how you feel about the proposed changes to Rates Remission and Postponement Policy for Māori Freehold Land (Please tick one option for each statement)

	Strongly oppose	Oppose	Neutral	Support	Strongly support
Extension of the definition of Māori Freehold Land for the purpose of this policy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Inclusion of Māori Freehold Land where there is no identifiable trust, person or owner gaining benefit from the land	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Changes to Māori Freehold Land being developed for economic use	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Changes to Māori Freehold Land being developed for papakāinga or housing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Do you have any more feedback you'd like to give on this proposed policy? (Māori Freehold Land)