



RATES POSTPONEMENT **POLICY**



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Introduction

Environment Canterbury carries out its rating function in accordance with the requirements of the Local Government (Rating) Act 2002 and the Local Government Act 2002.

This document provides the policy framework for postponing the payment of rates. These policies incorporate postponements for Māori freehold land.

Legislative summary

Section 102(3) of the Local Government Act 2002 states that a local authority may adopt a rates postponement policy.

Section 87 of the Local Government (Rating) Act 2002 allows a local authority to postpone all or part of the rates on a rating unit if the local authority has adopted a postponement policy, the ratepayer has applied in writing for a postponement and the local authority is satisfied that the conditions and criteria in the policy are met. The remainder of sections 87 to 90 of the Local Government (Rating) Act 2002 address issues relating to notice, postponement fees, recording postponed rates and registering postponed rates.

Section 110 of the Local Government Act 2002 states what a rates postponement policy must contain.

Postponement policy

The Canterbury Regional Council has decided to postpone all or part of the rates of rating units covered by this postponement policy provided that the conditions within this policy have been met. Rates postponement may be provided for the following categories of rating units or under the following circumstances:

- postponement of rates due to extreme financial circumstances
- postponement of rates on Māori freehold land.

The Council intends the policy to operate equitably over its entire region and has a primary concern to ensure wherever possible that the postponement policy is consistent with the postponement policy adopted by the territorial authority that has been appointed by the Council to collect the rates.

General provisions relating to the postponement of rates

All applications for rates postponement under this policy must be made in writing by the ratepayer or the ratepayer's authorised agent.

Applications may be forwarded to the territorial authority that has been appointed by the Council to collect the rates. Where an application is forwarded to the territorial authority or where an application for a postponement is made directly to the territorial authority that has been appointed by the Council to collect the rates for the Canterbury Regional Council, a postponement will only be granted by the territorial authority in relation to the Canterbury Regional Council rates where it is consistent with this policy.

Any postponed rates will be postponed until:

- the death of the ratepayer(s)
- until the ratepayer(s) ceases to be the owner or occupier of the rating unit

- until the ratepayer(s) ceases to use the property as his/her residence
- until the date specified by the Council.

The policy will apply from the beginning of the rating year in which the application is made although the Council may consider backdating past the rating year in which the application is made depending on the circumstances.

Where the Council decides to postpone rates, the ratepayer may still be required to make arrangements for payment of rates in accordance with the requirements of the territorial authority acting as a collector on behalf of the Council.

A postponement fee may be charged on the amount of the postponed rates. The calculation and conditions for this fee will be in accordance with those imposed by the territorial authority acting as collector on behalf of the Council.

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 of any revenue from the sale or lease of the rating unit. Penalty charges will not be added to postponed rates.

The Council will consider postponement for each individual application according to the circumstances of that application. When considering each application, the Council will take into account any information provided to the territorial authority acting as collector on behalf of the Council.

DELEGATION: The Chief Executive or Director Finance and Corporate Services is to approve postponement of rates on applications that meet the criteria of this policy.

Postponement of rates due to extreme financial circumstances

The Council may provide rates postponement to all ratepayers who meet the objectives, conditions and criteria of this policy.

Objective

The postponement of rates is to enable the Council to assist ratepayers experiencing extreme financial circumstances that affect their ability to pay rates.

Conditions and criteria

Other than in exceptional circumstances, only rating units used solely for residential purposes will be eligible for consideration for rates postponement under extreme financial circumstances.

When considering whether extreme financial circumstances exist, all of the ratepayer's personal circumstances will be relevant, including the following factors: age, physical or mental disability, injury, illness and family circumstances.