



Murunga reiti
whenua Māori tū
motuhake

**Māori Land
Rates
Remission and
Postponement
Policy 2023**



Adopted June 2023



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Introduction

Auckland Council recognises that land is a taonga tuku iho of special significance to Māori people. One of the ways that council seeks to support Māori landowners is by providing assistance with rates through our Māori land rates remission and postponement policy.

Objectives

The objectives of this policy are to:

- support the principles set out in the Preamble to Te Ture Whenua Māori Act 1993 by supporting Māori ownership and use of Māori land
- support achievement of [Kia Ora Tāmaki Makaurau \(Māori Outcomes Framework\)](#) objectives
- provide equity in rating by recognising limitations on the use, development and sale of Māori freehold land (MFL) compared to other land.

Conditions and criteria

This policy allows the council to remit the rates on Māori land in specified circumstances. For the purposes of this policy, “Māori land” is defined as being any of the following categories:

- a) Māori customary land¹
- b) Māori freehold land¹ that is in Māori ownership
- c) Crown land reserved for Māori¹, where the ratepayer is Māori or an organisation owned by Māori operating for the benefit of Māori.
- d) general land that ceased to be Māori land under Part 1 of the Māori Affairs Amendment Act 1967, where the land is beneficially owned by the persons, or by the descendants of the persons, who owned the land immediately before the land ceased to be Māori land
- e) general land that ceased to be Māori land through a mechanism other than Part 1 of the Māori Affairs Amendment Act 1967, where the land is:
 - beneficially owned by the persons, or by the descendants of the persons, who owned the land immediately before the land ceased to be Māori land; and
 - owned by more than ten Māori either individually or through a whānau trust, Māori incorporation, Māori trust board or other legally incorporated entity
- f) general land owned by a Post Settlement Governance Entity or subsidiary entity, but excluding land returned by the Crown as commercial redress or purchased by the owners, except where the land:
 - is set aside and protected for cultural, historic or natural conservation purposes or because it is wāhi tapu (under Part 1 of the policy)
 - used for the community benefit of Māori (under Part 4 of the policy)
 - used for papakāinga housing with licence to occupy tenancies (under Part 6 of the policy)
 - used for papakāinga housing on general title land (under Part 7 of the policy)

¹ Māori customary land, Māori freehold land and Crown land reserved for Māori are as defined in Te Ture Whenua Māori Act 1993

This policy does not apply to Māori land that is at the time of application:

- commercially leased or
- is primarily used or occupied (or intended to be used or occupied) by people other than the owners, their hapū or whānau, unless the land is used for the provision of community services or
- used (or intended to be used) for purposes which do not align with the objectives of the policy.

Applications to the council on the prescribed form by the ratepayer or the ratepayer's agent must specify whether they are applying for remission under part 1, 2, 3, 4, 5 or 7 of the policy. The application should state how the remission will support the objectives above and how the rating unit fits within the criteria of the scheme.

Residents of papakāinga applying for remission under part 6 of the policy need to complete an application form provided by the management of their papakāinga housing.

For the rates to be remitted the council may require evidence each year, by way of statutory declaration, to confirm that the rating unit still complies with the conditions and criteria of the policy. The council reserves the right to seek further information for example, a Memorial Schedule of Owners, if the council deems it necessary.

Unless specified elsewhere in this policy, the remission will apply from the beginning of the rating period in which the application is approved and will not be backdated to prior years.

Part 1 - Remissions for undeveloped and unused Māori land

A Māori land rating unit is eligible for a remission under part 1 of this policy if the land, or part of the land, is undeveloped and unused. This means that no person:

1. leases the land
2. does one or more of the following things on the land, for profit or other benefit:
 - a. resides on the land
 - b. de-pastures or maintains livestock on the land
 - c. uses the land in any other way that is not related to:
 - i. the maintenance of the cultural traditions associated with the land, including include visiting, cultural use, whanau camping, and the collection of kai, kai moana, medicinal, and cultural material
 - ii. maintaining or improving the natural or historic heritage value of the land.

This scheme is able to be applied to wāhi tapu sites and land that has been set aside and protected for cultural, historic or natural conservation purposes that meet the above criteria.

A qualifying rating unit will be eligible for a 100 per cent remission of the rates on the portion of the rating unit that is undeveloped and unused.

Where the council is satisfied that the criteria are met, it may, at its discretion apply a remission under this scheme automatically without requiring an application from the ratepayer.

Note: Māori freehold land is non-rateable (not liable for any rates) under the LGRA, Schedule 1, Part 1, clause 14A of the Local Government (Rating) Act 2002 if the entire rating unit is unused.

The purpose of this Part 1 remission scheme is to provide rates assistance to unused Māori land that falls outside the scope of this non-rateability provision, for example:

- Māori freehold land that is partly used, or does not meet the specific definition of “unused” for LGRA non-rateability purposes
- Māori land that is not in Māori freehold land title.

Part 2 - Remission to adjust Māori land rateable land values

The council will consider remission for Māori Land that:

- is valued for a highest and best use that in the view of the council is unlikely to be achieved within Māori ownership
- has significant impediments to development and use due to the nature of its ownership, such as owners being deceased and not succeeded to, but which does not already qualify for the maximum rateable valuation adjustment of 10 per cent of the land value.

Where the council is satisfied that the criteria are met, it may, at its discretion apply a remission under this scheme automatically without requiring an application from the ratepayer.

If an application is approved under this scheme the council will request its Valuation Service Provider to determine a rates-remission value of the land. The rates remission land value will be assessed as follows:

For land that has a best potential use that in the view of the council is unlikely to be achieved within Māori ownership: the land will be valued to exclude any potential for subdivision and/or development that the land may have that is unlikely to be achieved in Māori ownership. The rates remission land value will be prepared to preserve uniformity and equitable relativity with comparable parcels of land whose valuation does not contain any such potential value for subdivision and/or development.

For land that has significant impediments to development and use due to the nature of its ownership, such as owners being deceased and not succeeded to: the rates remission land value will be calculated as if the maximum valuation adjustment of 10 per cent had been applied.

A rating unit may be eligible for one or both of these adjustments to the rates remission land value. For properties that qualify for both adjustments, the rates remission land value will be an assessment of the net effect of both adjustments.

The rates remission for any rating period will be an amount equal to the difference between the amount of the rates for that period calculated according to the rateable land value of the rating unit and the amount of the rates that would be payable for that period if the rates remission land value of the rating unit were its rateable land value.

No objection to the amount of any rate remission or rates remission land value determined by the Council and its Valuation Service Provider will be upheld.

Part 3 – Remission for Māori Land Under Development

The purpose of this remission scheme is to support the development and use of Māori land by its owners. This remission is in two sub-parts.

Sub-part 1: Māori land that was non-rateable or receiving a remission for unused land under Part 1 of this policy prior to development

The purpose of this sub-part remission is to enable council to address circumstances where Māori land that is non-rateable or receiving a remission for unused land under Part 1 of this policy becomes liable for rates due to development work that has not been completed.

In many cases, land that is currently non-rateable or receiving a remission for unused land will not become liable for rates until development is complete. This is because changes to property rating information (such as land use or property values) that may trigger a change in rateability or eligibility for remission, are usually assessed on completion of development.

Subject to the conditions for Part 3 remissions below, under this sub-part council will remit rates on a Māori land rating unit (or part of it) that directly before the development begins is non-rateable, or which receives remission under Part 1 of this policy, from the time the rating unit becomes liable for rates.

Sub-part 2: All other Māori land

Subject to the conditions for Part 3 remissions below, under this sub-part council may remit rates on Māori land not eligible under Sub-part 1 where the council is satisfied that the development on that land will provide:

- a) additional residential accommodation for the owners, their hapū or iwi or
- b) community facilities for the benefit of Māori.

Conditions for Part 3 remissions

1. Remission under this scheme is only available where the Māori owners of the land are the ratepayer of the land.
2. Remissions under sub-part 1 will apply from the start of the rating year when the rating unit first becomes liable for rates.
3. Remissions under sub-part will 2 apply from the start of the rating year following the start of development of the rating unit. Development work will be considered to have started from either:
 - the date of issuing of the building consent for the development
 - the demolition of current structures or the starting of ground works.
4. Applications under this scheme must provide evidence of the nature, start and expected completion dates, and current progress of the development, such as plans, consents and/or photos of works. The council may request additional information to be supplied.
5. Remission under this scheme will apply for one year. The ratepayer may apply for remission in subsequent years should development extend beyond this period.
6. Where Council is satisfied that the criteria are met, it may, at its discretion apply a remission under this scheme automatically without requiring an application from the ratepayer.
7. A remission will not apply to any targeted rate for a service actually provided to the rating unit, such as a charge for waste services.
8. A part of rating unit that continues to be used during development, for example for residential or commercial use, will not be eligible for remission. In this case a partial remission can be applied to the share of the rates attributable to the part of the rating unit under development. If development is completed in stages over more than one rating year, then a partial remission can be applied for parts of the land where development is not yet complete.
9. In the case where, prior to development, a Māori land rating unit is partly non-rateable, or receives a partial remission under Part 1 of this policy because the land is partly used and partly unused, and the relevant criteria and conditions are met, the council may apply a partial remission under:
 - a) sub-part 1 for the share of the rates attributable to the part of the rating unit that was previously non-rateable or receiving the remission
 - b) sub-part 2 for the share of the rates attributable to the remainder of the rating unit being developed.”
10. In the case where only part of a rating unit meets the eligibility criteria, the council may, at its discretion, apportion the remission for qualifying part of the property.

Remission of rates for Māori freehold land under development under section 114A of the Local Government (Rating) Act 2002

Ratepayers for Māori freehold land that are developing or intend to develop the land may separately apply to council for consideration of remission under section 114A of the Local Government (Rating) Act 2002 (LGRA). This is a separate remission process. The legislation sets out the matters the council must consider when deciding whether to apply a remission, and the proportion and duration of the remission. You can view the full legislation online [here](#).

Under this section, the council is required to consider applications for remission of rates on Māori freehold land, if the ratepayer is developing, or intends to develop the land. The council may partially or fully remit rates on Māori freehold land under this section if satisfied that the development is likely to have any or all of the following benefits:

- benefits to Auckland by creating new employment opportunities
- benefits to Auckland by creating new homes
- benefits to the council by increasing the council's rating base in the long term
- benefits to Māori in the district by providing support for marae in the district
- benefits to the owners by facilitating the occupation, development, and utilisation of the land.

Applications under section 114A must be made in writing. The application must identify:

1. the rating unit to be developed
2. the individuals or entities undertaking the development
3. the nature of the development
4. the expected duration of development, and whether work will be staged
5. details of work undertaken to date to progress development, including any plans, funding arrangements or consents that have been obtained
6. details of work still required to enable development including funding requirements and consents still to be obtained
7. details of the benefits as identified in section 114A the development is expected to provide
8. if the land is being developed for a commercial purpose, when it is expected that the ratepayer will generate income from the development
9. if the development involves the building of 1 or more dwellings, when the ratepayer or any other persons are likely to be able to reside in the dwellings.

Notes: The council:

- may require additional information from the applicant to support its consideration of any application under this section.
- is able to decide when to commence a remission, how long it will apply for, and any conditions that are required to be met in accordance with section 114A(4)

is able to decide what proportion of the rates to remit during the development or any stage of the development in accordance with section 114A(5).

Part 4 - Remission for Māori land used for non-commercial purposes for the community benefit of Māori

Part 4 caps the rates paid on land that is used for non-commercial purposes for the community benefit of Māori.

1. A Māori land rating unit may be eligible for a remission under part 4 of this policy if that land, or part of that land, is used for non-commercial purposes for the community benefit of Māori.

Examples include (but are not limited to) not for profit health clinics, community and cultural centres.

2. Māori land used for papakāinga housing may be eligible for remission where accommodation is provided free of charge or for a peppercorn rental to individuals who maintain the land or cultural practice, such as caretaker accommodation or kaumātua housing.

For eligible rating units, the council may remit the portion of the rating unit's rates that are attributable to its land value.

Where the council is satisfied that the criteria are met, it may, at its discretion apply a remission under this scheme automatically without requiring an application from the ratepayer.

Part 5 - Remission of previous years' rates arrears on Māori land

The remission of the historical rate arrears removes barriers that may stop owners developing the land and encourages them to start paying the rates.

A rating unit is eligible for a remission of the previous years' rates arrears under part 5 of this policy if the owners pay the current year's rates for three years. If the annual rates are paid for three years, the previous years' arrears, along with the arrears penalties will be remitted.

Part 6 - Remission for papakāinga housing

Objectives for Part 6 remissions

This remission scheme allows council to remit the uniform annual general charge for residents of papakāinga housing who would otherwise qualify for central government's rate rebate scheme, except they occupy their property under a licence to occupy agreement.

The remission will be applied to the rates of the papakāinga in which the applicant resides, where an agreement exists between the village operator and Auckland Council (see more below). The benefit of the rates remission will be passed to the resident.

Conditions and criteria for Part 6 remissions

To be eligible for the licence to occupy remission, the applicant must meet the following criteria:

1. be a resident of papakāinga housing under a licence to occupy agreement
2. reside in a unit or apartment that is identified by Auckland Council as a separately used or inhabited part of the papakāinga housing to which a separate uniform annual general charge is applied
3. reside in papakāinga housing that has entered into an agreement with Auckland Council to:
 - a. identify the rates for applicants to the scheme
 - b. pass the full benefit of any rates remission granted under this scheme to the successful applicant
4. have resided on the property at the beginning of the rating year (1 July)
5. be an individual, rather than an organisation or trust
6. only one application per unit or apartment will be accepted.

The council will remit the uniform annual general charge for a unit, where the resident(s) of that unit would have been eligible for any level of rates rebate under the central government rebate scheme; had they been the ratepayer for the unit. Granting of a remission will be determined by:

1. the applicant's gross household income, including any overseas income
2. the share of Auckland Council rates payable by the applicant to papakāinga housing in which the applicant resides
3. the maximum rebate and threshold limits set by central government under its rebate scheme.

Central government updates thresholds for its rates rebate scheme each year. The council's remission for residents of a "license to occupy" within papakāinga housing is automatically updated for the new thresholds.

Part 7 - Remission for papakāinga housing on general title land

The purpose of this remission scheme is to support achievement of the Kia Ora Tāmaki Makaurau (Māori Outcomes Framework) outcome for papakāinga housing, by increasing rating parity between papakāinga on Māori freehold land and general title land.

Conditions and criteria

To be eligible for the general title land used for papakāinga housing remission, the property must be:

1. in general title
2. held in a not-for-profit trust or similar mechanism for the benefit of the owners
3. appropriately protected from alienation from the Māori owners for example through the terms of trust deed
4. used solely as papakāinga housing for members of the hapū/iwi and their whānau, with an appropriate mechanism to ensure this use (such as lease conditions)
5. initial applications under this scheme will need to supply sufficient evidence, such as copies of trust deeds, rules, and lease documents, for council to assess eligibility. The determination as to whether criteria 2, 3 and 4 are met rests solely with the council.

For a qualifying property, the level of remission that will apply will be equal to the discount in rates that would apply, if the land received the Māori freehold land valuation discount for number of owners. This will apply as a discount to the land value as follows:

Number of beneficial owners	Land Value Discount
Under 10	3.5%
Under 25	4.0%
Under 50	6.0%
Under 100	8.0%
100 and over	10.0%

No valuation discount will be given for:

- Māori land court administration costs
- wāhi tapu sites. These may be eligible for remission under Part 1 of this policy.

Application of Part 7 remission to qualifying properties in subsequent years

The council may, having regard for the level of certainty the council has as to whether the property continues to meet the conditions and criteria of this scheme:

- apply the remission automatically; or
- require a declaration that the conditions and criteria of the remission continue to be met; or
- require a new application under the scheme to be completed, with sufficient evidence to be supplied.

Application of Part 6 and Part 7 remissions

Properties meeting the criteria under both the Part 6 and Part 7 schemes may receive remission under both schemes.

How to apply for a remission under this policy

- You must specify whether you are applying for a remission under part 1, 2, 3, 4, 5 or 7 of the policy.
- Residents of papakāinga housing wanting to apply for a remission under part 6 will need to contact the manager of the papakāinga to ask for the required forms.
- Management of papakāinga housing wanting to offer part 6 remissions to their residents should contact us at the details below
- The application should state how the remission will support the policy and how the property fits within them.
- For the rates to be remitted (reduced) we may request evidence each year (statutory declaration), to confirm that the rating unit still complies with the conditions and criteria of the policy.
- We can apply for a remission on behalf of the ratepayer if the property meets all the criteria.
- We reserve the right to request further information. For example, a Memorial Schedule of Owners, if we think it's necessary.
- The remission will apply from the beginning of the rating period in which the application is approved and will not be backdated to prior years.

Call us on 09 301 0101 if you have any questions or write to us requesting a remission of rates under this policy.

Post your request, along with all supporting documents, to:

Auckland Council
Private Bag 92300
Victoria Street
Auckland 1142

Or email enquiry@aucklandcouncil.govt.nz

Note: General Rates remissions may be applicable to Māori land

The council provides a general Rates remission and postponement scheme that can be found here. Remissions under this scheme are available to all landowners, including Māori landowners, where they meet the relevant criteria. This policy offers the following remission and postponement schemes:

- remission of rates to top-up the rates rebate
 - available to ratepayers who receive a partial rates rebate and who pay water charges to Watercare
- remission of rates penalties
- postponement of rates for residential properties
- COVID-19 Rates postponement scheme

- remission of accommodation provider targeted rate
- remission of rates for miscellaneous purposes
- remission of uniform annual general charges and targeted rates levied as uniform annual charges on certain rating units. This remission scheme provides remissions for:
 - Māori land properties used jointly as a single property
 - rating units used jointly as a single farm or horticultural property
 - carparks used in conjunction with another rating unit