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**Report PE 02.358**

24 June 2002

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**PUBLIC EXCLUDED**

Report to the Rural Services and Wairarapa Committee  
from Neville Shakespeare, Manager, Support Services

**Rates on Maori Land - Multiple Ownership**

**1. Purpose**

To seek Committee approval for the remission of outstanding rate charges and additional penalty charges on Maori freehold land under multiple ownership.

**2. Public Excluded**

Grounds for exclusion of the public under Section 48(1) of the Local Government and Official Information and Meetings Act 1987 are that the public conduct of the whole or relevant part of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist i.e. that is to protect the privacy of natural persons.

**3. Background**

3.1 From Report PE 01.404 (Minute PE RSW 363), the Committee resolved:

*“That rates on Maori freehold land under multiple ownership and not producing revenue be considered for remission on an annual basis”.*

3.2 This refers to rates collected by the Wellington Regional Council for Bovine Tb Vector Control and various River Management, Catchment and Drainage schemes.

- 3.3 These rates are levied under the Rating Powers Act 1988 and are collected annually. A minimum rate of \$10.00 plus GST is applied per rate assessment.
- 3.4 Annual rates not paid by the due date attract a 10% additional penalty charge.
- 3.5 Some properties within these rating schemes fall into the category of Maori freehold land and are owned by numerous shareholders through hereditary title.

#### **4. Comment**

- 4.1 The recovery of rates on Maori Land has posed problems for Local Government due to the number of owners that are often involved together with the difficulties in identifying and locating these property owners. This can be both a time consuming and costly exercise, sometimes resulting in minimal monetary gain.
- 4.2 Under the Rating Powers Act, rate recovery options are quite restrictive. Under section 189 of this Act, a Local Authority may remit the payment of any rate and penalty charges due on Maori freehold land.
- 4.3 Currently, the WRC rates ledger has 15 such properties with outstanding balances for the 2001-02 rating year. The total amount owed is \$987.47 GST exclusive. This includes \$897.70 rate charges plus \$89.77 additional penalty charges (see attachment to Report 02.358).
- 4.4 The likelihood of these rates being recovered is minimal. Therefore, it is requested that the Committee consider the remission of these annual rates on the understanding that no revenue is being generated from the land and that the cost of recovery would in most cases far exceed any revenue gained due to the number of owners involved.

#### **5. Recommendation**

*That the annual rate and additional penalty charges on fifteen Maori freehold properties (as scheduled) totalling \$987.47 GST exclusive, be remitted.*

Report prepared by:

Approved for submission by:

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