

## Summary of proposals

Local Government (Rating of Whenua Māori) Amendment Bill

PROPOSALS TO SUPPORT THE DEVELOPMENT OF, AND PROVISION OF HOUSING ON, MĀORI LAND	
PROPOSALS	RATIONALE
<p><b>1. Provide local authorities with the power to remove rates arrears</b></p> <ul style="list-style-type: none"> <li>Local authorities will be able to write-off rates arrears on: <ul style="list-style-type: none"> <li>i. all land (including general land) if it considers the rates are uncollectable</li> <li>ii. Māori land only, where successors to interests in a block of land find themselves liable for rates debts of deceased owners.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>➤ Remove rates arrears as a barrier to development</li> </ul>
<p><b>2. Make most unused Māori land non-rateable including Ngā Whenua Rāhui land</b></p> <ul style="list-style-type: none"> <li>Māori land rating units that are entirely unused will be non-rateable.</li> <li>Māori land subject to a Ngā Whenua Rāhui Kawenata will be non-rateable.</li> <li>Outstanding rates arrears on these types of land will be removed.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Remove rates arrears as a barrier to development</li> <li>➤ Recognises conservation value of land</li> </ul>
<p><b>3. Provide a statutory rates remission process for Māori land under development</b></p> <ul style="list-style-type: none"> <li>This will provide Māori landowners a right to apply for a rates remission when land is under development, without having to rely on an individual local authority developing its own policy for this. Local authorities will be required to consider applications.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Better rates relief for land under development</li> <li>➤ Reduce rating barriers to development</li> </ul>
<p><b>4. Allow multiple Māori land blocks to be treated as one for rating purposes</b></p> <ul style="list-style-type: none"> <li>Multiple blocks of Māori land that come from the same parent block will be treated as one for the purpose of calculating their rates liability, if they are used jointly as a single unit. This would be initiated on application of the entity or person using the land, and provided it meets the relevant criteria, the council must implement this.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Reduce the number of uniform charges on multiple blocks used as one and reduce the overall rating liability for the blocks</li> </ul>
<p><b>5. Enable individual houses on Māori land to be rated as if they were one rating unit</b></p> <ul style="list-style-type: none"> <li>Homeowners on Māori land will be able to choose to be rated individually which may make lower income homeowners eligible for rates rebates; and will simplify the administration of rates where there are multiple homes on a block of Māori land.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Give each home access to the rates rebate scheme (should the eligibility criteria of the scheme be met)</li> <li>➤ Make it easier for individual homeowners to pay the rates for their homes, and local authorities to collect rates on homes on Māori land</li> </ul>
PROPOSALS TO MODERNISE THE RATING LEGISLATION AFFECTING MĀORI LAND	
PROPOSALS	RATIONALE
<p><b>6. Provide protection to Māori land made general land by the Māori Affairs Amendment Act 1967 from being sold as “abandoned land”</b></p> <ul style="list-style-type: none"> <li>Local authorities will be prevented from selling or leasing this land for unpaid rates arrears, provided the land is still in Māori ownership.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Protection of land from rating sales</li> </ul>
<p><b>7. Remove the arbitrary two-hectare limit on the non-rateability for marae and urupā</b></p> <ul style="list-style-type: none"> <li>Marae and urupā of any size will be non-rateable.</li> </ul>	<ul style="list-style-type: none"> <li>➤ More equitable rates treatment for marae and urupā</li> </ul>
<p><b>8. Extending non-rateability for marae to all kinds of land</b></p> <ul style="list-style-type: none"> <li>The non-rateability for marae in Schedule 1 of the Local Government (Rating) Act 2002 would be extended to include all marae, not just those on a Māori reservation.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Increased coverage of rates exemption for marae</li> </ul>
<p><b>9. Clarify the obligations on trustees to declare income received from land if requested</b></p> <ul style="list-style-type: none"> <li>This proposal would require trustees to provide copies of any accounts provided to beneficiaries to support rates liability claims, if requested by a local authority. The local authority would not be able to require information that is not currently prepared by the trustees.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Potentially increased ability to collect rates where income is derived from the land</li> </ul>
<p><b>10. Clarifying that homes on Māori reservations are liable for rates</b></p> <ul style="list-style-type: none"> <li>Where land is used for multiple purposes, the exemption will not include land which is predominantly for housing.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Consistent rating treatment of residential housing</li> </ul>
<p><b>11. Reference Te Ture Whenua Māori Act 1993 in relevant local government legislation</b></p> <ul style="list-style-type: none"> <li>The preamble of Te Ture Whenua Māori Act 1993 will be referenced in relevant local government legislation to signal the intent of rating provisions regarding Māori land.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Clearer expectation on interpretation of legislation</li> </ul>