

Office of Hon Nanaia Mahuta

MP for Hauraki-Waikato

Minister of Foreign Affairs

Minister of Local Government

Associate Minister for Māori Development



16 September 2022

Ryan

fyi-request-20288-336650fd@requests.fyi.org.nz

Tēnā koe Ryan

Thank you for your email of 19 August 2022 via FYI requesting information under the Official Information Act 1982 regarding district and regional councils' legality to impose and collect rates. Below is some information which I trust will explain rates and how they are set and collected.

The Local Government (Rating) Act 2002 (the Act) provides local authorities with flexible powers to set, assess and collect rates to fund local government activities and enables ratepayers to identify and understand their liability for rates.

Rates are a tax, and as such no contract is needed for a property owner to be liable to pay rates. Under section seven of the Act, all land is rateable unless it falls under one of the categories described in schedule one of the Act. I encourage you to contact your local council if you believe your land falls under one of these categories.

Sections 10 and 11 of the Act define a ratepayer; in most cases this is the owner of the rating unit. A rating unit is defined under the Rating Valuations Act 1998, and for property for which there is a record of title, the land comprised in the record of title constitutes a rating unit. Section 12 of the Act sets out liability for rates. Section 12 (1) states that "the ratepayer for a rating unit is liable to pay the rates that are due on the unit."

I hope the above information is helpful in addressing your concerns.

Thank you again for writing.

Nāku noa

A handwritten signature in black ink, appearing to read 'N. C. Mahuta'.

Hon Nanaia Mahuta

Minister of Local Government