

Objective

The objective of this scheme is to assist ratepayers experiencing financial hardship which affects their ability to pay rates.

Criteria

The ratepayer must meet the following criteria to be considered for rates postponement for hardship:

- 1 The ratepayer must be the current owner of the rating unit and owned the property for at least five years.
- 2 The rating unit must be used solely by the ratepayer as his/her residence.
- 3 No person entered on the Council's rating information database as the "ratepayer" must own any other rating units or investment properties (whether in the District, in New Zealand or overseas) or have significant interests or ownership of a businesses or shares.
- 4 The current financial situation of the ratepayer must be such that s/he is unlikely to have sufficient funds left over, after the payment of rates, for normal health care, proper provision for maintenance of his/her home and chattels at an adequate standard, as well as making provision for normal day-to-day living expenses.
- 5 The ratepayer (or authorised agent) must make an application to Council on the prescribed form (copies can be obtained from the Council Offices, at either Dargaville or Mangawhai, or on Council's website www.kaipara.govt.nz).

Conditions

The Council will consider, on a case-by-case basis, all applications received that meet the above criteria.

- 1 For the rates to be postponed, written confirmation of the ratepayer's financial situation must be provided from the ratepayer's budget advisor. Additionally, Council reserves the full right to have the question of hardship addressed by any outside agency with relevant expertise e.g. budget advisors or the like.
- 2 For the rates to be postponed, the Council will require a statutory declaration:
 - a) that the ratepayer does not own any other property or have significant interest in a business or shares; and
 - b) containing the value of the ratepayer's property insurance and the value of encumbrances against the property, including mortgages and loans.
- 3 For the rates to be postponed, the Council will require the ratepayer to first make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments.
- 4 The Council will add a postponement fee each year to the postponed rates. The fee will cover the period from when the rates were originally due to the date that they are paid. This fee will not exceed the Council's administrative and financial costs of the postponement.

- 5 The postponement will apply from the beginning of the rating year in which the application is made, although the Council may consider backdating to before the rating year in which the application is made depending on the circumstances.
- 6 Any postponed rates will be postponed until:
 - a) the death of the ratepayer(s); or
 - b) the ratepayer/s cease/s to be the owner or occupier of the Rating Unit; or
 - c) the ratepayer/s cease/s to use the property solely as his/her residence; or
 - d) the postponed rates are 80% of the available equity in the property; or
 - e) a date specified by Council.
- 7 All or part of the postponed rates may be paid at any time. The applicant may also elect to postpone the payment of a lesser sum than that which they would be entitled to have postponed pursuant to this scheme.
- 8 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.

Personal Details

Name			
Address			
Contact Telephone	Home	Mobile	
Email Address			
Property Valuation Number			
Legal Description			
Amount of latest Rates Notice	\$	Amount requested for postponement	\$
How long have you owned the property			
Do you own more than one property?	YES/NO		
If yes what is the property type/s (i.e. bare land, commercial, rental)			
If yes, are any rental properties?	YES/NO		
Are you currently receiving a rates rebate?	YES/NO		

I hereby certify that I (we) meet the criteria for postponement shown on this application, consent to the conditions of the Postponement for Financial Hardship Policy and agree to pay all costs associated with the Postponement for Financial Hardship Policy.

Signature of Applicant:

Date:

Income Declaration	Your Income \$	Partner/Joint homeowner income \$
Wages or Salary		
Work and Income benefit		
Work and Income supplement (e.g. Accommodation supplement)		
New Zealand Superannuation		
Overseas Income (converted to NZD)		
Net profit before tax from any business (enter '0' if you sustained a loss)		
Rental Income		
ACC earnings compensation		
Trust Income paid		
Working for Families Tax Credits (excludes Family Tax Credit)		
Income from other sources (please specify)		
Total		

Expenses	Amount \$
Rent or Mortgage	
Insurance (property, contents, car, health etc)	
Power/Gas	
Telephone	
Food	
Petrol/diesel	
Education/health	
Vehicle maintenance	
Credit card payments	
Loan/hire purchase payments	
Other (please specify)	
Total	

Please include here any other information which may be applicable:

General Guidelines and Important Facts

Postponement is available only if the applicant(s) is/are the legal owner(s) of the property. This includes homes owned by Family Trusts.

Where any instalment of a postponed rate is not paid by the due date for that payment:

- The Council may add penalties to the unpaid rate the same way as for any other unpaid rate;
- The Council may review whether the rest of the postponed rates will continue to be postponed under this Policy, or whether, and if so when, they will become payable.

Postponed rates and any part thereof may be paid at any time.

Applicants may elect to postpone a lesser amount than the maximum they would be entitled to under the Policy.

Council will add a postponement fee to the postponed rates for the period between the due date and the date the rates are paid. This fee is to cover Council's administrative and financial costs and may vary from year to year.

Any postponement is valid for that year only. Ratepayers must apply each year in which rates postponement is sought.

Postponed rates will be payable at the earliest of:

- a) The ratepayer(s) ceasing to be the owner of the property, providing that in the event of death rates will be payable three months after grant of probate or letters of administration; or
- b) A date specified by Council, in the event that any land rate is not paid by the due date for payment and the Council decides that the rates will no longer be postponed under this Policy.

You cannot apply under this Policy if the property is not your usual place of residence or if the property is used principally for business, farming, commercial or industrial purposes.

Ratepayers must provide satisfactory written details relating to their income and expenses.

The ratepayer (or authorised agent) must make an application to Council on the prescribed form.

The ratepayer (or authorised agent) must make a statutory declaration to Council as to their financial circumstances.

All applications will be considered on a case-by-case basis and must meet the eligibility criteria.

The General Manager Finance or Chief Executive will approve applications based on recommendations by staff in accordance with the Policy criteria.

Postponed rates will be registered as a Statutory Land Charge on the Certificate of Title at the owner's expense.

Declaration

I (full name) _____

of (residential address) _____

Occupation _____

do solemnly and sincerely declare that I believe the information I have given on this form is true and correct and I make this solemn declaration conscientiously under the Oaths and Declarations Act 1957.

Signature of ratepayer _____

Declared at _____ this _____ day of _____ 20_____

Before me _____

(Signature and printed name of person authorised to witness the declaration)

- Authorised Council officer
 Justice of the Peace
 Chartered accountant
 Minister of religion
 Solicitor
 Court registrar/deputy court registrar
 Other (please state)

Financial and Legal Advice

Applicants will be encouraged to obtain financial and/or legal advice about the rates postponement from an appropriate independent person.

Costs

The cost to postpone includes the registration of a one-off Statutory Land Charge and postponement fee. The cost to register a Statutory Land Charge is \$85.00 per hour plus any charges to Council plus 10% of the amount postponed. For the 2015/2016 year the cost will be \$347.50 plus 10% of the amount postponed. The cost to release a Statutory Land Charge is \$85.00 per hour plus any charges to Council. For the 2015/2016 year that cost will be \$127.50.

Please note: If applicable it is important that the mortgagee is aware of the Statutory Land Charge. The applicant is requested to notify the mortgagee and provide Council with written consent. There may be bank fees associated with providing written consent.

Reporting

Ratepayers to be given details of postponed rates each year.

Not less than once annually every ratepayer, whose rates have been postponed under this Policy, will be provided with:

- a) A statement showing the total annual rates currently due;
- b) A breakdown showing year-by-year the total amount of the postponed rates and the postponement fee (showing administrative and financial costs).