



Equitable Rates Relief

A comprehensive analysis of Rates Rebates, Postponement, and Remissions in New Zealand, focusing on seniors and Māori

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Executive summary

This report presents a comprehensive analysis of rates relief schemes in New Zealand, focusing on rates rebates, postponement and remissions, and their impact on homeowners, particularly low-income individuals, Māori, and senior citizens.

The analysis has revealed three key findings. Firstly, Rates Rebates are uniformly provided across New Zealand under the Department of Internal Affairs (DIA) legislation, ensuring a consistent legal framework. However, variations may exist in administrative processes, such as processing time and submission methods.

Secondly, Rates Rebates primarily support low-income homeowners, with limited provisions for seniors, notably those residing in retirement villages. Seniors are neither offered a specific policy under Rates Rebates nor prioritized, despite their unique financial challenges.

Thirdly, Rates Postponement and Rates Remissions complement Rates Rebates but display significant disparities in availability and distribution. Rates Remissions are more widely accessible to the general population, offering a broad range of policies, with Māori freehold land taken into account, while Rates Postponement is less prevalent among councils but provides valuable support to senior citizens facing financial hardships.

Implications

- *Prioritizing rates rebates for seniors:* Recognizing the financial challenges faced by senior citizens, prioritize the availability and accessibility of Rates Rebates for this demographic group. In particular, considering increasing the threshold in accordance with the New Zealand Superannuation (NZS) amount, and the current surge in property rates.
- *Standardizing rates remissions and postponement criteria:* Developing standardized criteria for rates remissions and postponement eligibility across all councils can help ensure consistency and fairness in the distribution of rates relief.
- *Increasing rates postponement availability:* Encouraging more councils to offer rates postponement schemes, especially for senior citizens, can provide additional support to those who may face financial hardships.
- *Targeted outreach and education:* Implementing outreach programmes to inform eligible individuals, especially Māori and seniors, about available rates relief schemes can increase participation and access to these benefits.
- *Clarifying annual goals of rates relief:* The parameters around rebates, remissions and postponement are often vague. Ideally, there should be greater transparency around the goals of the offerings and how well these are being met.
- *Regular review and adjustment:* Continuously reviewing and adjusting rates relief policies to account for inflation and changing economic conditions can help maintain the effectiveness of these programmes.
- *Collaborating with community organizations:* Collaborating with community organizations can facilitate the identification of vulnerable populations and ensure that rates relief programmes are effectively reaching those in need.

Introduction

Property rates, a fundamental component of local government revenue (Ehalaiye et al., 2017), play a crucial role in funding essential services and infrastructure development across New Zealand. However, these rates can place a significant burden on vulnerable populations, as they disproportionately affect low-income individuals, potentially leading to financial hardships and housing instability (Barrett & Veal, 2012; Sawyer, 2020). To address this issue, the New Zealand government has implemented rates rebate schemes operating under the Rates Rebate Act 1973. However, the administration and impact of these rebates vary across local councils.

This report provides a comprehensive analysis of rates relief schemes, including rebates, postponement, and remissions within the context of New Zealand. It explores the efficacy of existing schemes in achieving equitable rates relief, identifies variations, and proposes evidence-based recommendations, with a specific focus on the impact on Māori and senior citizens. Ultimately, this report seeks to inform policy decisions that promote equitable rates relief, contributing to the well-being of Māori and seniors.

The Importance of Studying Equitable Rates Relief

Rates relief holds global significance, as property taxation structures exist in various forms across different countries. The literature on rates relief underscores its importance in addressing socio-economic disparities, preventing property loss, and ensuring that vulnerable groups can maintain their homes and support their communities (Millner et al., 2019). The impact of property taxation can be particularly pronounced in New Zealand, given its unique demographic composition and historical context. In particular, the increasing rates burden for homeowners over 65 years old, who are primarily dependent on NZS with limited financial reserves, is creating pressure on these owners. Concerns have been raised that the Rates Rebates scheme is complex, has low qualifying income thresholds, and has an ever-decreasing relative value of the rebate compared to the rates levied (Marshall, 2022; Irwin & Thompson, 2022). Meanwhile, some councils operate Rates Postponement or Remission schemes, which are neither universally available nor have similar terms nationally. To gain more significant insights into what retirement looks like for New Zealanders, 2022 Review of Retirement Income Policies' or 2022 (RRIP) recommends undertaking research to investigate whether rebates from council rates are set appropriately (Retirement Commission, 2022). In New Zealand, there is a lack of research scrutinizing potential adverse effects of property rates on Māori and older citizens. For those reasons, it is essential to examine existing rates relief mechanisms to ensure their equitable distribution.

Research Questions

The research will answer three questions:

- (1) How are rates relief schemes conducted in New Zealand?
- (2) How do Rates Remissions and Postponement schemes vary across the 78 local councils?
- (3) What are the recommendations to enhance equitable rates relief, especially for seniors and Māori?

Objectives

- (1) To analyse and compare rates relief policies among councils in New Zealand.
- (2) To propose evidence-based recommendations for enhancing the efficiency and fairness of rates rebate programmes.

Methodology

The research uses three methods:

- (1) *Literature Review*: A comprehensive review of academic literature, government reports, and relevant policy documents are conducted to gain insights into rates relief schemes in New Zealand.
- (2) *Data Collection*: Data on rates relief policies and implementation are collected from local councils' published information. When the information is not publicly available, personal communication are made with the authorities.
- (3) *Data Analysis*: The collected data are analysed using qualitative content analysis, as well as descriptive quantitative statistics to identify patterns and disparities.

Rates and aged distribution in New Zealand

An overall of council rates in 2023 is illustrated in Figure 1, showing the geographical distribution of rates in New Zealand (see Appendix 1 for detailed statistics). Here, average residential and non-residential rates of regional councils are divided by quartiles. Due to data unavailability, the map illustrates only the total rates of councils. Property rates distribution, therefore, cannot be determined. However, it is useful to have a general idea of the geographical distribution of rates in New Zealand. Auckland, Marlborough, and Gisborne are regions with the highest rates in total. Nationally, rates continue to rise in 2023, with the typical residential rate charged by district and city councils across the country reaching an average of \$2,781 (New Zealand Taxpayers' Union, 2023).

Figure 2, on the other hand, displays the geographical distribution of older people across regions in 2018. A similar method of quartile deviation was applied. The map shows that Auckland, Canterbury, Waikato, and Wellington are regions with the highest population of people over 65 years old. Although the two maps do not significantly show an association between councils' rates and seniors' geographical distribution, information on older population percentage change may reveal additional insights. In particular, regional councils with the highest rates have witnessed a significant increase in the numbers of older people. Among them, Gisborne, Hawke's Bay, and Marlborough regions have had a percentage change of seniors of nearly 20% from 2013 to 2018 at (Stats NZ, 2020). The figure for the Auckland region is 15.9%¹. This indicates that older people may share a considerable burden of council rates in New Zealand. Furthermore, unlike those of working-age, older people don't have the opportunity to replenish their funds through employment. The increasing loans under the Reverse Mortgage scheme recently suggest that retirees need greater income further into retirement as their savings run out (Squires et al., 2022). Therefore, understanding the impacts of rates relief schemes on this population is crucial.

¹ See "Appendix 2: Where do seniors live in New Zealand?" for further information.

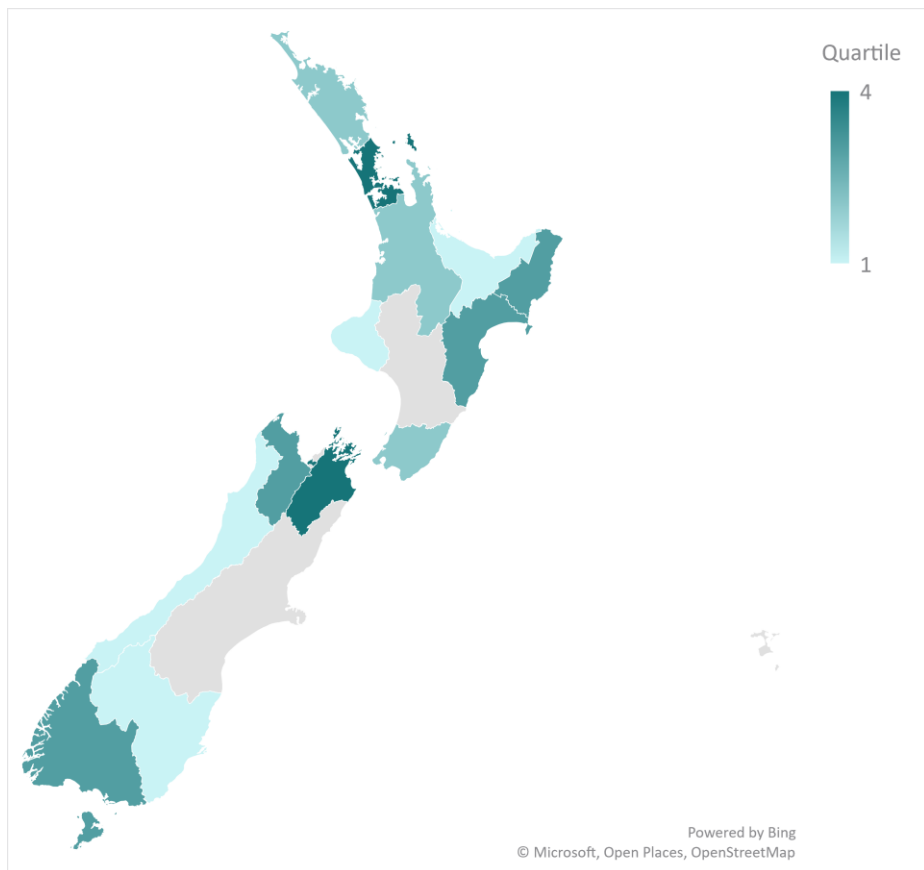


Figure 1: Rates distribution in New Zealand by 4 quartiles

Source: Author's calculation and illustration based on 2023 Ratepayers' Report (New Zealand Taxpayers' Union, 2023)²

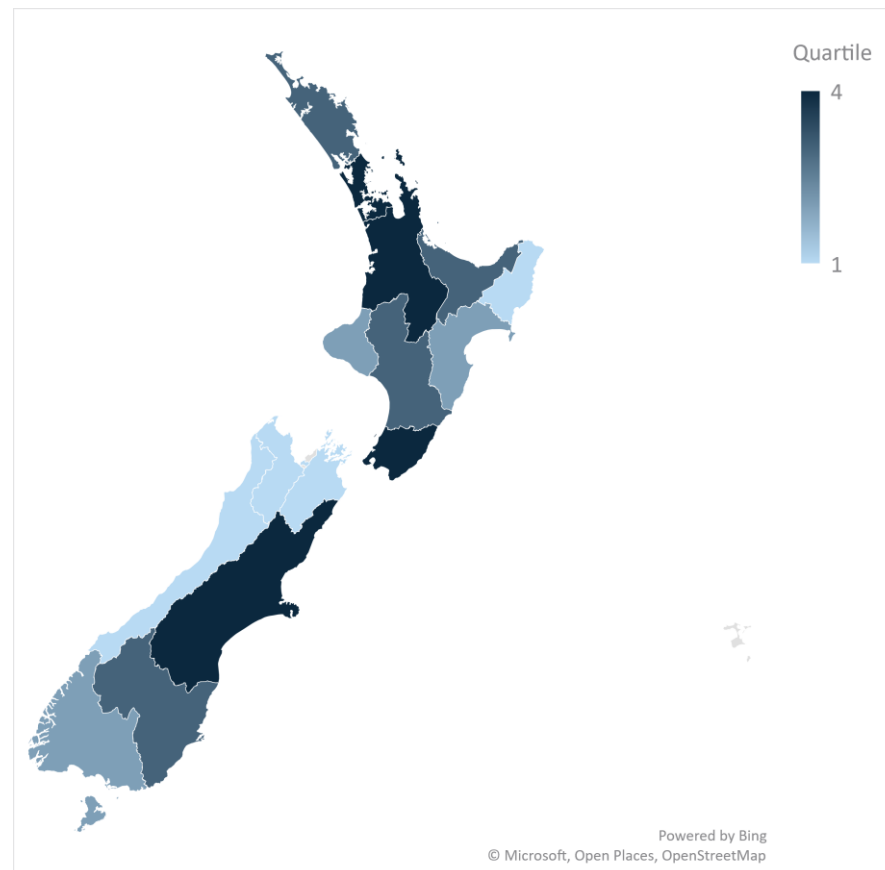


Figure 2: Geographical distribution of older population in 2018

Source: Author's calculation and illustration based on Census 2018 data (Stats, 2020)

² Council rates data from the Manawatu -Whanganui region, and Otago region are not available (grey areas).

Rates relief schemes in New Zealand

Rates Rebates

Rates Rebates is a government subsidy programme offered by the New Zealand government, Department of Internal Affairs (DIA) to assist low-income homeowners with their local council rates. Eligible applicants can receive a rebate, which is a partial refund of their rates expenses for the year (New Zealand Government, 2023). This scheme aims to provide relief to individuals who may struggle to afford their rates payments.

Eligibility criteria

To be eligible for a rates rebate, individuals must meet the following criteria:

- They must hold the official responsibility for the property's rates as per the law.
- They must be living in the house as of July 1, year of application.
- The property's primary use must not be for commerce, industry, business, or farming.
- Application must be submitted within the provided timeframe (starts on July 1, annually).

Table 1: Examples of rebates amount based on levels of rates and household income, without dependants (updated August, 2023)

Unit: NZD

Household income	Level of rates								
	1,000	1,500	2,000	2,500	3,000	3,500	4,000	4,500	5,000
30,000	560.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00
32,000	323.00	656.33	750.00	750.00	750.00	750.00	750.00	750.00	750.00
34,000	73.00	406.33	739.67	750.00	750.00	750.00	750.00	750.00	750.00
36,000		156.33	489.67	750.00	750.00	750.00	750.00	750.00	750.00
38,000			239.67	573.00	750.00	750.00	750.00	750.00	750.00
40,000				323.00	656.33	750.00	750.00	750.00	750.00
42,000				73.00	406.33	739.67	750.00	750.00	750.00
44,000					156.33	489.67	750.00	750.00	750.00
46,000						239.67	573.00	750.00	750.00
48,000							323.00	656.33	750.00
50,000							73.00	406.33	739.67
52,000								156.33	489.67
54,000									239.67

Calculation of rates rebates

The calculation of rates rebates is based on factors of income (gross income of the homeowner and their spouse/partner), rates, and the number of dependants. Without dependants, approximate rebates offered are illustrate in Table 1. Dependants include children and relatives (not the spouse/partner). Children under the ratepayer's care, who are under 18 years old on July 1, year of application, and are not married, in a civil union, or in a de facto relationship at that time, and for whom the ratepayer does not receiving payments according to section 363 of the Oranga Tamariki Act

1989. Relatives dependant are family members who were getting a welfare benefit (excluding NZS) on July 1, year of application.

Details concerning eligibility of the Scheme are set out in Part 3 of the Rates Rebate Act 1973. Rebates calculation can be summarised as follows:

Case 1: Income \leq 30,100 (the income threshold set by DIA)

$$\text{Rebates} = (\text{Rates} - \$160) * \frac{2}{3}$$

Case 2: Income $>$ 30,100

$$\text{Rebates} = (\text{Rates} - \$160) * \frac{2}{3} - \frac{\text{Income} - 30,100}{8}$$

The income threshold (30,100) is elevated by \$500 for each dependent of the ratepayer at the applying year. In either case, the maximum amount of rebate obtainable is \$750. The DIA also provides an online [rates rebate calculator](#).

Single seniors who live alone or in shared accommodation, with an income from NZS of \$30,090 (\$578.67 weekly) or \$27,686 (\$532.43 weekly) (Work and Income Tehiranga Tangata, 2023), less than the threshold, always get a rebate (Case 1). Meanwhile, a couple's NZS is higher than the income threshold (Case 2). Their $(\text{Rates} - \$160) * \frac{2}{3}$ must be greater than their $\frac{\text{Income} - 30,100}{8}$ for them to get a rebate. For example, couples who are married or in a civil union or *de facto* relationship, with both partners qualified for NZS, have an income of \$45,738. Their property rates must be greater than \$3,092 to have a rebate.

Since 2008, Cabinet has agreed to adjust the rebate maximum amount and the income threshold with inflation. In 2023, they were increased by roughly 7% (Kiro, 2023). This action is beneficent and expands the number of people who might get rebates. However, the current increase in New Zealand inflation rates is found to be slower than the house price index. Annual inflation as of June 2023 is 7.2% for all households, and 6.8% for superannuitants (Stats NZ, 2023a), while the figure for the house price index is over 8% (ANZ, 2023). Therefore, increasing the Rates Rebates' threshold based on the actual increasing property rates instead of inflation rates would be more pertinent.

Rebates for people living in a retirement village

People living in a retirement village may also be eligible for rates rebates. A declaration form for a retirement village resident rates rebate certificate is available [online](#), where it should be jointly completed by the resident and village manager. It is to be submitted alongside the Rates Rebate Application form. Just as with normal house rates, retirement village residents have their relief amount based on their rates contribution for the current rating year. This covers charges for council, regional, and water rates. If rates are not explicitly outlined as a fixed charge for residents, they are calculated as follows:

$$RC = \frac{\text{Resident' TAC}}{\text{TAC of all residents}} * \text{Total amount rates paid by the village}$$

where RC is resident's contribution, and TAC is total annual contribution.

Rebates for people owning a company-share apartment

People owning a company-share or “owner-occupier” apartment can also apply for a rates rebate, with the declaration form filled by the person in charge of paying rates for the whole property. The specific criteria are:

- (1) The individual resides in a residential apartment.
- (2) The right to inhabit the apartment is derived from either being:
 - a. the possessor of an estate or having a stake in the property where the building containing or encompassing the owner-occupied apartment is constructed.
 - b. a shareholder in a corporation that holds ownership of the property on which the building containing or encompassing the owner-occupied apartment stands.
- (3) The individual has an obligation to make payments towards property rates as per a written agreement that was either:
 - a. established prior to assuming occupancy of the apartment, or
 - b. formulated by a previous occupant and remains binding upon the current owner-occupant.
- (4) Property rates were paid for the residence inhabited by the individual on the 1st of July.

Rates Postponement

Rates Postponement is another financial assistance programme offered by some local councils in New Zealand. This programme allows eligible property owners, often seniors or retirees with limited income and assets, to defer the payment of their rates for a specified period. The postponed rates are typically paid later, such as when the property is sold or transferred to another owner. The criteria for Rates Postponement vary by councils, but typically consider age, income thresholds, property ownership status, and residency.

Rates Remissions

Local councils provide Rates Remissions Schemes pursuant to Section 109 of the Local Government Act 2002. Similar to Rates Rebates, this scheme provides a refund or reduction on property rates. For some councils, Rates Remissions can be provided on top of the rates rebates. Rates Remissions' eligibility varies across councils, but typically focusing on the purposes of the properties (Rebates and Postponement focus on characteristics of homeowners). For example, remissions are often provided for charitable and non-profit organizations, cultural and heritage properties, or those providing public benefits, such as care of older people and disadvantaged persons.

Table 2 provides an overview of the three schemes.

Table 2: Comparing Rates Rebates, Postponement, and Remissions

	Rebates	Postponement	Remissions
Definition	DIA's programme providing partial refunds to qualifying, financially disadvantaged homeowners.	Local councils' programmes for property owners to defer payment of their property rates.	Local councils' programmes offering partial reductions or refunds on property rates, which can be on top of Rates Rebates.
Criteria	Income level	Vary across councils. Often based on age or financial hardship.	Vary across councils. Often based on financial circumstances, property's use and the specific purpose of the Rates Remission.
Calculation based on	<ul style="list-style-type: none"> - Income level - Numbers of dependants - Total rates being paid to district and regional councils 	<ul style="list-style-type: none"> - Equity value of the property 	<ul style="list-style-type: none"> - Income - Property value - Property use - Owner characteristics - Location - Special circumstances
Amount	Up to \$750	-	Up to 100% of the rates
Target group	Low-income homeowners	<ul style="list-style-type: none"> - Seniors - People in financial hardship 	Properties of the following groups: <ul style="list-style-type: none"> - Low-income homeowners - Charitable and non-profit - Community and sporting - Cultural and heritage - Economically disadvantaged - Rural and farming - Small business owners - Environmental - Public benefit organisations - ...
Availability	All local councils	45/78 councils	59/78 councils
Administration	Local councils	Local councils	Local councils

Rates postponement and remissions across councils

Table 3 below provides the availability of rates postponement and remissions schemes for the general population, Māori freehold land, and seniors among local councils. It *Table 1* created based on the information of 78 local councils' websites. Where marked "Yes", the council offers rates relief for the population in the column (General/Māori/Seniors). Where marked of "No", either the council does not offer that scheme for the specific population, or the information is not available on their website, which indicates that their residents are unable to access the rates relief.

Table 3: Availability of Rates Postponement Remissions in New Zealand

No.	Council	Rates Postponement			Rates Remissions		
		General	Māori	Seniors	General	Māori	Seniors
North island							
Region: Northland							
1	Far North District Council	Yes	No	Yes	Yes	Yes	No
2	Kaipara District Council	Yes	No	No	Yes	Yes	No
3	Northland Regional Council	-	-	-	-	-	-
4	Whangārei District Council	Yes	Yes	No	Yes	Yes	No
Region: Auckland							
5	Auckland Council	Yes	No	No	Yes	Yes	No
Region: Waikato							
6	Hamilton City Council	Yes	No	No	Yes	Yes	No
7	Hauraki District Council	Yes	No	No	Yes	Yes	No
8	Matamata-Piako District Council	Yes	Yes	No	Yes	Yes	No
9	Ōtorohanga District Council	No	No	No	Yes	Yes	No
10	Rotorua Lakes Council	Yes	No	No	Yes	Yes	No
11	South Waikato District Council	Yes	Yes	No	Yes	Yes	No
12	Taupō District Council	Yes	No	No	Yes	Yes	No
13	Thames-Coromandel District Council	Yes	Yes	Yes	Yes	Yes	No
14	Waikato District Council	Yes	No	No	Yes	Yes	No
15	Waikato Regional Council	-	-	-	-	-	-
16	Waipa District Council	No	No	No	No	No	no
17	Waitomo District Council	No	No	No	Yes	Yes	Yes ³
Region: Bay of Plenty							
18	Bay of Plenty Regional Council	-	-	-	-	-	-
19	Kawerau District Council	No	Yes	No	Yes	Yes	No
20	Ōpōtiki District Council	Yes	No	No	Yes	Yes	No
	Rotorua Lakes Council	Overlapping district council					
	Taupō District Council	Overlapping district council					
21	Tauranga City Council	Yes	Yes	No	Yes	Yes	No
22	Western Bay of Plenty District Council	Yes	No	Yes	Yes	Yes	No
23	Whakatāne District Council	No	No	No	Yes	Yes	No
Region: Taranaki							

³ For organizations providing care for the elderly

No.	Council	Rates Postponement			Rates Remissions		
		General	Māori	Seniors	General	Māori	Seniors
24	<u>New Plymouth District Council</u>	No	No	No	No	No	No
25	<u>South Taranaki District Council</u>	No	No	No	Yes	No	No
26	<u>Stratford District Council</u>	Yes	No	No	Yes	Yes	No
27	<u>Taranaki Regional Council</u>	-	-	-	-	-	-
Region: Gisborne							
28	<u>Gisborne District Council</u>	Yes	No	Yes ⁴	Yes	Yes	No
Region: Hawke's Bay							
29	<u>Central Hawke's Bay District Council</u>	Yes	No	No	Yes	Yes	No
30	<u>Hastings District Council</u>	Yes	No	No	Yes	No	No
31	<u>Hawke's Bay Regional Council</u>	-	-	-	-	-	-
32	<u>Napier City Council</u>	Yes	No	Yes	Yes	Yes	No
33	<u>Rangitikei District Council</u>	Yes	No	No	Yes	Yes	No
	<u>Taupō District Council</u>	Overlapping district council					
34	<u>Wairoa District Council</u>	No	No	No	No	No	No
Region: Manawatū -Whanganui							
35	<u>Horowhenua District Council</u>	No	No	No	Yes	Yes	No
36	<u>Manawatū District Council</u>	No	No	No	Yes	No	No
37	<u>Manawatū -Whanganui Regional Council</u>	-	-	-	-	-	-
38	<u>Palmerston North City Council</u>	Yes	No	No	Yes	No ⁵	No
	<u>Rangitikei District Council</u>	Overlapping district council					
39	<u>Ruapehu District Council</u>	Yes	No	No	Yes	Yes	No
	<u>Stratford District Council</u>	Overlapping district council					
40	<u>Tararua District Council</u>	No	No	No	No	No	No
	<u>Taupō District Council</u>	Overlapping district council					
	<u>Waitomo District Council</u>	Overlapping district council					
41	<u>Whanganui District Council</u>	Yes	No	No	Yes	No	No
Region: Wellington							
42	<u>Carterton District Council</u>	No	No	No	No	No	No
43	<u>Hutt City Council</u>	No	No	No	Yes	Yes	No
44	<u>Kapiti Coast District Council</u>	No	No	No	No	No	No
45	<u>Masterton District Council</u>	Yes	Yes	No	Yes	Yes	No
46	<u>Porirua City Council</u>	Yes	No	No	Yes	Yes	No
47	<u>South Wairarapa District Council</u>	Yes	No	Yes	Yes	Yes	No
	<u>Tararua District Council</u>	Overlapping district council					
48	<u>Upper Hutt City Council</u>	No	No	No	Yes	No	No
49	<u>Wellington City Council</u>	Yes	No	No	Yes	Yes	No
50	<u>Wellington Regional Council</u>	-	-	-	-	-	-
South Island							
Region: Tasman							
51	<u>Tasman District Council</u>	No	No	No	Yes	Yes	No

⁴ Considering "age" in the "personal circumstances"

⁵ The Council will not provide for any remissions or postponements under this [Māori Freehold land] policy except for one rating unit which is normally a small island surrounded by the Manawatū River. In this instance 100% of the rates will be remitted.

No.	Council	Rates Postponement			Rates Remissions		
		General	Māori	Seniors	General	Māori	Seniors
Region: Nelson							
52	<u>Nelson City Council</u>	Yes	No	Yes	Yes	Yes	No
Region: Marlborough							
53	<u>Marlborough District Council</u>	Yes	Yes	Yes	Yes	Yes	No
Region: West Coast							
54	<u>Buller District Council</u>	No	No	No	No	No	No
55	<u>Grey District Council</u>	No	No	No	Yes	No	No
56	<u>West Coast Regional Council</u>	-	-	-	-	-	-
57	<u>Westland District Council</u>	Yes	No	No	Yes	Yes	No
Region: Canterbury							
58	<u>Ashburton District Council</u>	Yes	No	Yes	No	No	No
59	<u>Canterbury Regional Council</u>	-	-	-	-	-	-
60	<u>Christchurch City Council</u>	Yes	Yes	Yes	Yes	Yes	No
61	<u>Hurunui District Council</u>	Yes	No	No	Yes	Yes	No
62	<u>Kaikōura District Council</u>	No	No	No	Yes	Yes	No
63	<u>Mackenzie District Council</u>	Yes	No ⁶	No	Yes	No	No
64	<u>Selwyn District Council</u>	Yes	No	Yes	Yes	Yes	No
65	<u>Timaru District Council</u>	Yes	Yes	No	Yes	Yes	No
66	<u>Waimakariri District Council</u>	Yes	No	No	Yes	Yes	No
67	<u>Waimate District Council</u>	No	No ⁷	No	Yes	No	No
68	<u>Waitaki District Council</u>	Yes	No	No	Yes	No	No
Region: Chatham Islands							
69	<u>Chatham Islands Council</u>	Yes	Yes	No	Yes	Yes	No
Region: Otago							
70	<u>Central Otago District Council</u>	No	No	No	Yes	No	No
71	<u>Clutha District Council</u>	Yes	No	No	Yes	Yes	No
72	<u>Dunedin City Council</u>	Yes	No	No	Yes	Yes	No
73	<u>Otago Regional Council</u>	-	-	-	-	-	-
74	<u>Queenstown-Lakes District Council</u>	Yes	No	Yes	Yes	Yes	No
	<u>Waitaki District Council</u>	Overlapping district council					
Region: Southland							
75	<u>Gore District Council</u>	No	No	No	Yes	No	No
76	<u>Invercargill City Council</u>	Yes	No	No	Yes	No	No
77	<u>Southland District Council</u>	Yes	No	No	Yes	Yes	No
78	<u>Southland Regional Council</u>	-	-	-	-	-	-

In a total of 78 local councils in New Zealand, 11 regional councils are excluded from the analysis because they do not directly administer the rates relief schemes. Hence, 67 district councils are examined. Table 4 provides statistics of Rates Postponement and Remissions scheme, summarized from Table 3. Overall, the table illustrates the distribution of rates relief schemes available across general population, Māori, and seniors. Rates postponement is less common than remission. 67.2% councils provide the postponement scheme to the general population, 16.4% provide it with a

⁶ There is currently no Māori Freehold Land within the Mackenzie District.

⁷ WDC does not provide for the remission or postponement of rates on Māori freehold land unless it qualifies under another remission provision contained in their remission and postponement policy.

specific scheme for Māori freehold land, while 17.9% offer postponement with a focus policy on seniors. Rates remissions appear to be more widely provided across all categories, with 88.1% local councils offering it to the general population, 68.7% having a separate policy for Māori people, and only 1 council (1.5%) considering seniors in their remission scheme⁸.

Table 4: Statistics of district/city councils offering rates postponement and remission schemes

Offering rates relief	Rates Postponement			Rates Remissions		
	General	Māori	Seniors	General	Māori	Seniors
Yes	45 (67.2%)	11 (16.4%)	12 (17.9%)	59 (88.1%)	46 (68.7%)	1 (1.5%)
No	22 (32.8%)	56 (83.6%)	55(82.1%)	8 (11.9%)	21 (31.3%)	66 (98.5%)

The data highlights disparities in rates relief among councils and different demographic groups. While rates remissions appear to be more universally provided, there is room for addressing the varying levels of rates postponement availability, particularly among Māori and seniors. For Māori, there is a relatively higher availability of rates relief through remissions compared to postponement. Seniors are more likely to be supported by a specific focus in the postponement than the remission scheme. Nonetheless, Māori and seniors would still be eligible under the general remissions and postponement schemes if available in the council. Figure 3 illustrates the findings from Table 4. The disparities can be explained by the differences in councils' political positions, population demography, or whether the area is urban or rural. On the other hand, individuals must adapt to the new policy when they move from one district to another. The data prompts consideration of policies and outreach strategies tailored to address the specific needs and preferences of different demographic groups, ultimately aiming for more equitable distribution of rates relief benefits.

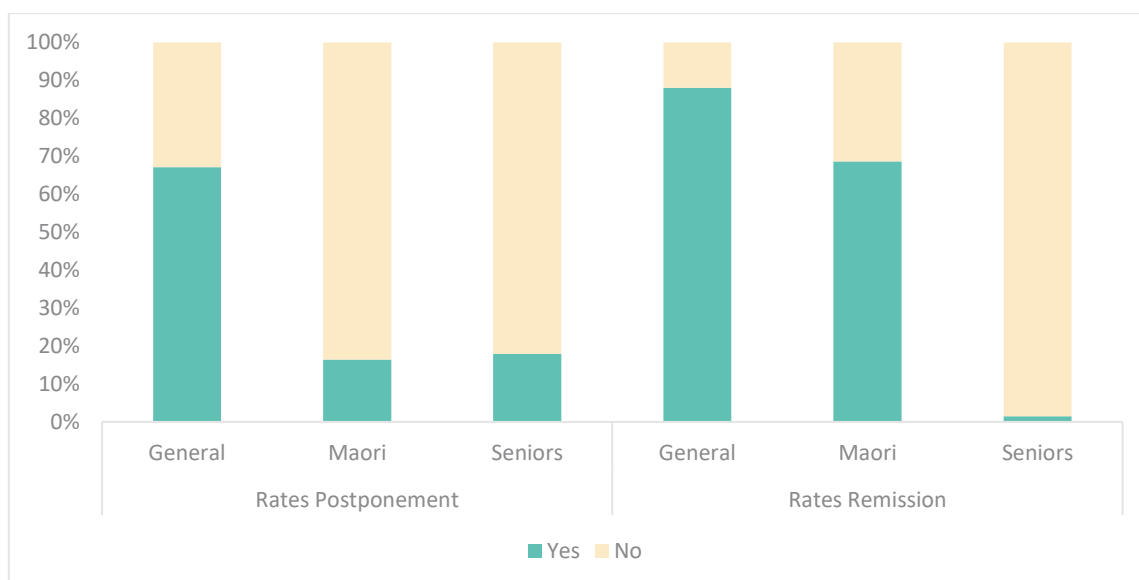


Figure 3: Statistics of district/city councils offering rates postponement and remission schemes

⁸ Ōtorohanga Council in Waikato remit 100% of all rates for institutions providing care for the aged and disadvantaged people.

Findings and Policy Implications

This report has provided a comprehensive analysis of rates relief schemes in New Zealand, focusing on rates rebates, postponement, and remissions. These schemes play a crucial role in alleviating the burden of property rates on homeowners, especially low-income individuals, Māori, and seniors. The analyses have revealed three findings.

First, Rates Rebates are uniformly provided under the DIA's legislation. The overall legal framework is identical across local councils. However, the administration process, such as processing time, submission methods, might vary.

Second, Rates Rebates primarily support low-income homeowners, with an extension to support older people living in retirement villages. Seniors are not offered a specific policy under Rates Rebates, nor are they prioritized. Retired couples who live on NZS risk not getting rebates based on the current threshold and calculation set by the DIA.

Third, Rates Postponement and Rates Remissions are supplementary to Rates Rebates. Statistics show significant disparities in the availability and distribution of the two schemes. For the general population, Rates Remissions are more widely distributed. Rates Remissions also offer a wide range of policies for Māori freehold land, which is less likely to be eligible for a postponement. On the other hand, only a few councils provide rates relief schemes for seniors, who are more likely to be eligible and benefit from Rates Postponement than Remissions. In this matter, older Māori are better off to apply for remissions as Māori than to apply for postponement a senior.

Accordingly, my recommendations to enhance the efficiency and fairness of rates relief programmes in New Zealand are:

- *Prioritize rates rebates for seniors*: Recognizing the financial challenges faced by senior citizens, prioritize the availability and accessibility of Rates Rebates for this demographic group. In particular, consider increasing the threshold in accordance with the NZS amount, and the current surge in property rates.
- *Standardize rates remissions and postponement criteria*: Developing standardized criteria for rates remissions and postponement eligibility across all councils can help ensure consistency and fairness in the distribution of rates relief.
- *Increasing rates postponement availability*: Encouraging more councils to offer rates postponement schemes, especially for senior citizens, can provide additional support to those who may face financial hardships.
- *Targeted outreach and education*: Implementing outreach programmes to inform eligible individuals, especially Māori and seniors, about available rates relief schemes can increase participation and access to these benefits.
- *Annual goals of rates relief*: the parameters around how rebates, remissions and postponement are often vague. Ideally, there is greater transparency around the goals of the offerings and how well these are being met.
- *Regular review and adjustment*: Continuously reviewing and adjusting rates relief policies to account for inflation and changing economic conditions can help maintain the effectiveness of these programmes.
- *Collaboration with community organizations*: Collaborating with community organizations can facilitate the identification of populations who are in a vulnerable position and ensure that rates relief programmes are effectively reaching those in need.

Conclusion

This report has shed light on the crucial role of rates relief schemes in New Zealand, emphasizing their impact on low-income individuals, Māori, and seniors. These schemes are instrumental in alleviating the financial burden of property rates and fostering community well-being. While Rebates are provided uniformly, Rates Postponement and Remissions target specific groups. The three schemes exemplify the nation's dedication to supporting its diverse population. However, analyses revealed variations and disparities in the availability and distribution of these schemes across local councils. The findings highlight the need for targeted policy improvements to ensure equitable rates relief for all New Zealanders.

To this end, I propose several evidence-based recommendations. First, there is a pressing need to prioritize rates rebates for senior citizens, who often face financial challenges in their retirement years. Second, standardizing eligibility criteria for rates remissions and postponement across all councils can promote consistency and fairness in the distribution of relief. Third, increasing the availability of rates postponement, with a specific focus on seniors, would be beneficial. The last three implications focus on accessibility and transparency of the schemes. These include targeted outreach and education efforts and are essential to inform eligible individuals, particularly Māori and seniors, about the existence and benefits of rates relief schemes. Additionally, setting annual goals for rates relief and regularly reviewing and adjusting policies to account for inflation and changing economic conditions will help ensure that these schemes remain effective and relevant. Lastly, collaboration with community organizations can play a vital role in identifying vulnerable populations and ensuring that rates relief programmes reach those in need effectively.

By implementing these recommendations, New Zealand can take significant steps toward achieving equitable rates relief for its people, ultimately contributing to the well-being of all communities and fostering a fairer and more inclusive society.

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Appendix 1: Council Rates

Table 5: Council Rates Comparison Chart (based on 2023 Ratepayers' Report)

Council Name	Average Residential Rates (\$)	Average Non-Residential Rates (\$)	Average	Rates quartile
Otago Regional Council	225.89	225.89	225.89	1
Taranaki Regional Council	256.56	256.56	256.56	1
West Coast Regional Council	361.67	361.67	361.67	1
Bay of Plenty Regional Council	478.69	496	487.345	1
Northland Regional Council	424	586.82	505.41	1
Greater Wellington Regional Council	570.06	Refused - no distinction between units	570.06	1
Waikato Regional Council	419.29	1,016.54	717.915	1
Environment Southland	274	1,515.00	894.5	1
Hawke's Bay Regional Council	482.87	1,439.99	961.43	1
Grey District Council	2,316.74	1,858.40	2087.57	1
Horowhenua District Council	2,656.00	1,751.00	2203.5	1
Ōtorohanga District Council	2,183.76	2,635.00	2409.38	1
Stratford District Council	2,430.00	2,433.00	2431.5	1
Ōpōtiki District Council	2,345.00	2,528.00	2436.5	1
Gore District Council	2,852.92	2,157.00	2504.96	1
Central Otago District Council	2,549.23	2,587.84	2568.535	1
Wairoa District Council	2,233.67	3,194.24	2713.955	1
Waitaki District Council	2,809.16	Declined - not held by council	2809.16	1
South Waikato District Council	2,491.00	3,178.00	2834.5	2
Selwyn District Council	2,824.00	2,852.00	2838	2
Thames-Coromandel District Council	3,348.41	2,444.30	2896.355	2

Council Name	Average Residential Rates (\$)	Average Non-Residential Rates (\$)	Average	Rates quartile
Ashburton District Council	2,898.86	3,054.30	2976.58	2
Tararua District Council	2,611.42	3,382.51	2996.965	2
Mackenzie District Council	2,265.52	3,807.92	3036.72	2
Masterton District Council	2,755.22	3,375.16	3065.19	2
Hurunui District Council	2,425.14	3,825.83	3125.485	2
Clutha District Council	2,299.36	3,964.78	3132.07	2
Kaikoura District Council	2,967.30	3,317.81	3142.555	2
Waimakariri District Council	3,175.00	3,222.00	3198.5	2
Central Hawke's Bay District Council	2,190.00	4,213.00	3201.5	2
South Wairarapa District Council	3,474.58	2,938.53	3206.555	2
Southland District Council	2,918.52	3,513.71	3216.115	2
Manawatū District Council	3,713.23	2,824.89	3269.06	2
Waimate District Council	2,427.22	4,202.17	3314.695	2
Buller District Council	2,155.98	4,507.00	3331.49	2
Kaipara District Council	2,585.00	4,106.00	3345.5	2
Matamata-Piako District Council	2,519.00	4,218.00	3368.5	2
Whangārei District Council	2,419.92	4,350.92	3385.42	3
Kapiti Coast District Council	3,263.00	3,584.00	3423.5	3
Waitomo District Council	2,914.02	3,995.90	3454.96	3
Western Bay of Plenty District Council	3,431.11	3,527.49	3479.3	3
Carterton District Council	3,938.81	3,094.43	3516.62	3
Hauraki District Council	2,917.00	4,188.00	3552.5	3
Timaru District Council	2,503.39	4,606.90	3555.145	3
Ruapehu District Council	2,911.32	4,248.92	3580.12	3
Queenstown-Lakes District Council	3,552.00	3,753.00	3652.5	3

Council Name	Average Residential Rates (\$)	Average Non-Residential Rates (\$)	Average	Rates quartile
Gisborne District Council	2,972.00	4,410.00	3691	3
Waipa District Council	3,194.51	4,191.64	3693.075	3
South Taranaki District Council	2,480.69	4,951.67	3716.18	3
Rangitikei District Council	2,669.00	4,803.00	3736	3
Waikato District Council	3,451.02	4,021.29	3736.155	3
Far North District Council	\$2,665.15	\$4,981.88	3823.515	3
Taupō District Council	2,898.35	4,832.92	3865.635	3
Rotorua Lakes Council	2,747.00	5,398.00	4072.5	4
Napier City Council	2,562.00	5,694.00	4128	4
Tasman District Council	3,230.08	5,091.02	4160.55	4
Hastings District Council	2,932.00	5,763.00	4347.5	4
Invercargill City Council	2,333.87	6,963.19	4648.53	4
New Plymouth District Council	2,726.82	7,169.03	4947.925	4
Palmerston North City Council	2,961.00	7,807.00	5384	4
Whanganui District Council	3,015.10	7,845.32	5430.21	4
Christchurch City Council	2,998.00	8,597.00	5797.5	4
Auckland Council	2,825.00	9,431.00	6128	4
Marlborough District Council	2,853.00	9,501.00	6177	4
Nelson City Council	3,207.00	9,774.00	6490.5	4
Dunedin City Council	2,651.50	11,133.00	6892.25	4
Porirua City Council	3,435.00	10,763.00	7099	4
Hutt City Council	2,950.20	11,873.33	7411.765	4
Upper Hutt City Council	2,176.98	13,485.57	7831.275	4
Tauranga City Council	3,481.76	13,119.52	8300.64	4
Westland District Council	2,464.36	15,152.36	8808.36	4
Hamilton City Council	2,862.00	16,563.00	9712.5	4

Council Name	Average Residential Rates (\$)	Average Non-Residential Rates (\$)	Average	Rates quartile
Kawerau District Council	2,398.00	31,411.00	16904.5	4
Wellington City Council	2,972.00	32,616.00	17794	4
Horizons Regional Council	-	Not provided	-	
Whakatāne District Council	-	Not provided	-	
Environment Canterbury	-	Refused - no distinction between non-residential and residential rates.	-	

Appendix 2: Where do seniors live in New Zealand?

Table 6: Numbers of older people (over 65 years old) by regional councils in New Zealand in 2006, 2013, and 2018.

Unit: People

Region name	2006	2013	2018
Northland Region	21,459	27,762	35,025
Auckland Region	128,544	163,158	189,177
Waikato Region	47,502	59,571	73,032
Bay of Plenty Region	38,055	46,869	57,096
Gisborne Region	5,346	6,126	7,344
Hawke's Bay Region	20,490	25,458	30,390
Taranaki Region	15,411	17,802	20,436
Manawatū -Whanganui Region	31,752	37,125	43,044
Wellington Region	51,405	62,268	72,426
West Coast Region	4,335	5,184	6,204
Canterbury Region	72,615	83,844	95,982
Otago Region	26,817	31,695	37,086
Southland Region	12,639	14,616	16,485
Tasman Region	6,072	8,463	10,974
Nelson Region	6,231	8,109	9,843
Marlborough Region	6,876	8,907	10,548
Area Outside Region	51	72	84

Source: Stats NZ (2020), Stats NZ (2023b)

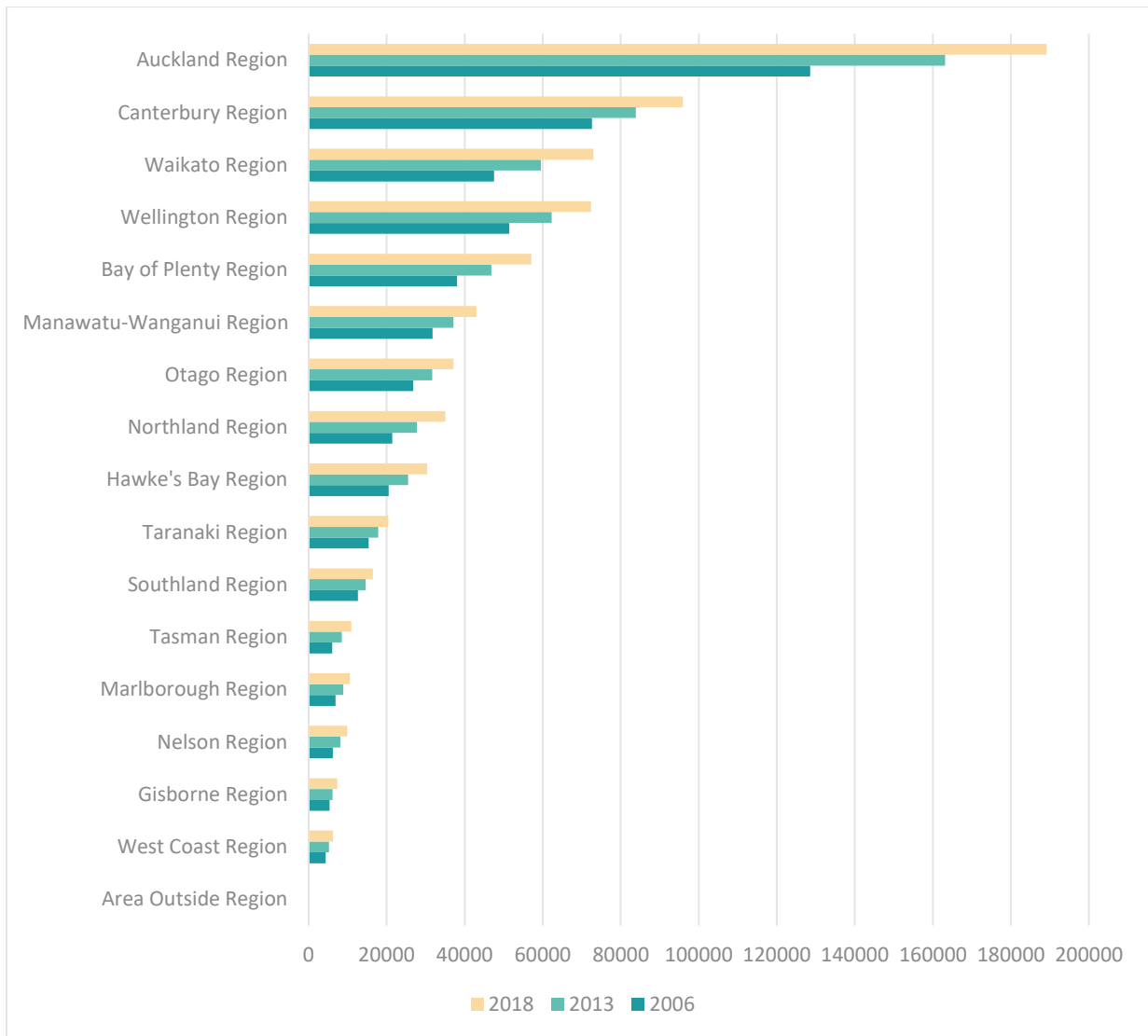


Figure 4: Changes of senior population across New Zealand regional councils

Source: Stats NZ (2020), Stats NZ (2023b)