

Rating Policy

Purpose

The policy is to outline operational aspects of rates setting and collection.

Statutory Requirements

Rates are levied in accordance with the statutory provisions of the Local Government (Rating) Act 2002.

Rating Policy

Introduction

The Rating System provides for the net funding requirement of the Council's Expenditure Programme as outlined in the Long Term Plan and Annual Plans.

Rating Types

The following rates are set:

- Uniform Annual General Charge
- General Rates
- Community Works and Services Rate
- Rural Fire Protection Rate
- Community Board Charge
- Annual Sewer Charge
- Annual Waste Management Charge
- Annual Water Charges
- Community Charges.

Details of the rating types are to be provided annually in the Funding Impact Statement.

Possible New Rates

Targeted rates could be introduced during the term of the Long Term Plan for Clean Heat Initiatives and Energy Efficiency and Lump Sum Contributions. These would apply to properties that took part in these initiatives.

Differential Rating

The Council proposes to differentiate the General Rate based on land use (Schedule 2 Local Government (Rating) Act 2002).

The objective of differential rating is to ensure a fair proportion of rates are paid by the various differential types.

Description of Differential categories for General Rates:

Type 1 - Accommodation

All properties used primarily for hotel, motel or similar short term or travellers' accommodation purposes.

Type 2 – Commercial - Central

All properties situated within the Timaru Central Business District and used primarily for commercial purposes.

Type 3 – Commercial - Other

All properties used primarily for commercial purposes other than those situated in the Timaru Central Business District.

Type 4 – Community Services

All properties used primarily for education, religious and/or community purposes.

Type 5 - Industrial

All properties used primarily for industrial purposes.

Type 6 - Primary

All properties used primarily for agricultural, horticultural or pastoral purposes, including the grazing of animals.

Type 7 - Recreational

Properties used primarily for active or passive indoor/outdoor recreational activities.

Type 8 – Residential – General (including baches)

All properties used primarily for residential accommodation of a single household or used for residential purposes and not otherwise classified or which are vacant or of not determined use of those differential categories and situated in an area in which residential dwellings are permitted.

Type 9 – Residential – Multi Unit

All properties used primarily for multi unit residential accommodation, for example, purpose built rental flats.

Targeted rates are differentiated based on location and the service provided. Details are provided annually in the Funding Impact Statement.

Instalments

All ratepayers will be invoiced for 4 rate instalments each financial year. Regional Council rates will be invoiced concurrently with the

District Council rates. Instalment dates are to be set annually by the Group Manager Corporate Services.

Metered water targeted rates will be invoiced separately and will be due the 20th of the month following invoice date.

Penalties

A penalty of 10% is added to any portion of each instalment that remains unpaid at the close of the instalment due date.

Any rates outstanding from previous years (including penalties already incurred) which are still unpaid at the close of the first instalment due date will have a further 10% penalty added on that date and if any portion is still unpaid at the close of the third instalment date, a further 10% penalty will be added on that date.