

## RATING AMENDMENT BILL

### EXPLANATORY NOTE

THIS Bill makes miscellaneous amendments to the Rating Act 1925.

*Clause 2:* By section 8 of the principal Act, where the system of rating on the annual value is in force the valuations are made by valuers appointed by the local authority. This clause enables the local authority to appoint the Valuer-General to make the valuations.

*Clause 3:* Section 51 (*f*) of the principal Act provides that, where the total amount of rates due by any one ratepayer is less than 1s., he may be rated at 1s. This clause increases the minimum rate to 5s.

*Clause 4:* Section 75 of the principal Act authorizes local authorities to remit rates payable in respect of showgrounds vested in or under the control of registered agricultural and pastoral societies or in respect of land held for the purposes of any outdoor sport and not for profit or gain. This clause re-enacts section 75 in an amended form, and enables the local authority to remit or postpone rates in respect of—

- (*a*) Land held by local authorities:
- (*b*) Land held by agricultural and pastoral societies and used for showgrounds and meetings:
- (*c*) Land used as a public garden or reserve:
- (*d*) Public reserves:
- (*e*) Public halls, libraries, athenaeums, museums, and similar institutions:
- (*f*) Land used for games and sports other than horse racing and trotting:
- (*g*) Land owned or occupied by or on behalf of any society or association whose object or principal object is to conduct creches or to conserve the health of the community or to tend the sick or injured:
- (*h*) Orphanages and institutions for the aged, infirm, sick, or needy.

The power to remit or postpone rates in respect of orphanages and institutions for the aged, infirm, sick, or needy is in substitution for powers in that behalf conferred by section 74 (2) of the principal Act, but the new power is in much wider terms.

*Clause 5:* The purpose of this clause is to authorize local authorities to postpone the payment of rates where payment would cause serious hardship to the occupier. The clause is an extension of section 74 of the principal Act, which gives powers of remission and postponement in cases of extreme poverty. For instance, it will give powers of postponement where elderly people occupy a property and cannot plead poverty because the property may be unencumbered but find it a serious hardship to pay rates.

The clause enables the local authority to postpone the payment of rates either until the occupier dies or disposes of the property, or for a fixed period with a provision that payment will become due if the occupier dies or disposes of the property before the expiration of the period. In such a case the local authority may remit the 10 per cent penalty on unpaid rates, and the time within which rates become statute barred will not commence to run until the postponed date of payment. The local authority will be entitled to register a charge against the land for the amount of the postponed rates.

The clause will not apply where the land is Maori land and the occupier is the owner or beneficial owner of a freehold estate therein. In such a case provision for relief on the ground of hardship already appears in section 108 of the principal Act.

*Clause 6:* The purpose of this clause is to provide a method of selling or letting abandoned properties which is simpler than that provided in section 80A of the principal Act. Under that section, where a property is abandoned and the local authority has obtained a judgment for arrears of rates which remains unsatisfied for six months, the local authority may file a certificate with the Registrar of the Supreme Court, who then gives notice to persons interested that the property will be sold or leased after six months unless the amount of the judgment and costs is paid in the meantime. At the end of that period the local authority may obtain a certificate from the Registrar that these provisions have been complied with and may then apply to the Magistrate's Court for an order declaring the property to be abandoned property and authorizing the local authority to sell or let it.

The new procedure will apply only where the capital value of the property does not exceed £100 and rates are unpaid for at least three years. In such a case, if the owner is unknown or cannot be found after inquiry or is deceased and has no personal representative or has given written notice of abandonment, the local authority may give one month's public notice by newspaper advertisement of its intention to exercise its powers under this clause, and may then apply to a Magistrate's Court for an order declaring the property to be abandoned property and authorizing the local authority to sell or let it. At any auction sale held under the powers conferred by the Court order the local authority may be a bidder and may buy in the property at a price not less than the reserve.

*Clause 7:* Section 108 (2) of the principal Act provides that where rates are due on Maori land and it is sought to recover the rates from the owners or beneficial owners of the land, payment may be obtained by lodging a claim for the rates with the Registrar of the Maori Land Court and obtaining a charging order. This claim must be lodged within two years of the rates being levied. The purpose of this clause is to avoid the multiplicity of claims for small amounts, and the clause provides that no claims are to be lodged with the Registrar until the total rates due in respect of the land amount to at least £3. In such a case the two year limitation runs from the date when the accumulated rates reach £3 or more.

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*Hon. Sir William Bodkin*

## RATING AMENDMENT

### ANALYSIS

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| Title.<br>1. Short Title.<br>2. Valuer - General may be appointed Valuer where system of rating on annual value in force.<br>3. Minimum general rate. | 4. Power to remit or postpone rates.<br>5. Postponement of rates in case of hardship.<br>6. Alternative procedure for sale or letting of abandoned property where judgment for rates not satisfied.<br>7. Charging orders for rates on Maori land. |
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### A BILL INTITULED

AN ACT to amend the Rating Act 1925.

Title.

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of  
5 the same, as follows:

1. This Act may be cited as the Rating Amendment Act 1954, and shall be read together with and deemed part of the Rating Act 1925 (hereinafter referred to as the principal Act).

Short Title.

See Reprint of Statutes, Vol. VII, p. 977

10 2. Section eight of the principal Act is hereby amended by inserting, after subsection one, the following subsections:

Valuer-General may be appointed Valuer where system of rating on annual value in force.

15 “(1A) Notwithstanding anything in subsection one of this section, the Valuer-General may, if he so agrees, be appointed to be the Valuer for the district, and the local authority may pay to him out of the district fund such fee as may be agreed upon by the local authority and the Valuer-General.

- “(1B) Where the Valuer-General is so appointed to be the Valuer for the district,—
- “(a) The provisions of subsection two of this section shall not apply; and
- “(b) The references in subsections six and seven of this section to a Valuer shall be read as references to a District Valuer appointed under the Valuation of Land Act 1951 and any officer or valuer appointed or employed by the Valuer-General in the preparation of the valuation list or in making any valuation.”
- 1951, No. 19
- Minimum general rate.
3. (1) Section fifty-one of the principal Act is hereby amended by omitting from paragraph (f) the words “one shilling” wherever they occur, and substituting in each case the words “five shillings”.
- 1953, No. 7 (Local)
- (2) Section eleven of the Southland Catchment Board Empowering Act 1953 is hereby amended by omitting the words “one shilling” wherever they occur, and substituting in each case the words “five shillings”.
- Power to remit or postpone rates.
4. (1) The principal Act is hereby amended by repealing section seventy-five, and substituting the following section:
- “75. (1) The local authority may, if it thinks fit, remit either wholly or in part, or postpone for such time as the local authority thinks fit, the payment of any rates in respect of—
- “(a) Any land owned or occupied by or in trust for any local authority within the meaning of the Local Government Loans Board Act 1926:
- “(b) Any land owned or occupied by or in trust for or under the control of a society incorporated under the Agricultural and Pastoral Societies Act 1908 and used by that society as a show-ground or place of meeting:
- “(c) Any land owned or occupied by or in trust for any society or association of persons, whether incorporated or not, and used as a public garden or reserve:
- “(d) Any land being a public reserve within the meaning of the Reserves and Domains Act 1953:
- See Reprint of Statutes, Vol. V, p. 415
- See Reprint of Statutes, Vol. I, p. 47
- 1953, No. 69

- “(e) Any land owned or occupied by or in trust for any society or association of persons, whether incorporated or not, and used for the purposes of a public hall, library, athenaeum, museum, or other similar institution:
- 5 “(f) Any land owned or occupied by or in trust for any society or association of persons, whether incorporated or not, and used for games or sports other than horse racing or trotting:
- 10 “(g) Any land owned or occupied by or in trust for any society or association of persons, whether incorporated or not, the object or principal object of which is to conduct creches or to conserve the health of the community or to tend the sick or injured:
- 15 “(h) Any land owned or occupied by or in trust for any charitable institution (not being an institution or separate institution within the meaning of the Hospitals Act 1926) which is carried on for the free maintenance or relief of orphans, or of the aged, infirm, sick, or needy, whether or not that institution is in receipt of assistance by way of subsidy from the public funds,—
- 20 being land that is not used for the private pecuniary profit of any individual member of the society or association or governing body, as the case may be.
- “(2) For the purposes of paragraphs (a) to (f) of subsection one of this section the making of charges for admission to or for the user of any such land, or of any buildings thereon, shall not be deemed to be a user for private pecuniary profit if—
- 30 “(a) In the case of any land held as defined in paragraph (a) of that subsection, the net proceeds of the charges are applied by the local authority as part of its revenues; or
- 35 “(b) In the case of any land held as defined in paragraphs (b), (c), (e), and (f) of that subsection, the net proceeds of the charges are applied solely for the purposes of the society or association, and no part thereof is distributed as profit among the individual members of the society or association; or
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See Reprint  
of Statutes,  
Vol. III, p. 725

“(c) In the case of any land held as defined in paragraph (d) of that subsection, the net proceeds of the charges are applied solely for the purposes of the governing body of the reserve, and no part thereof is distributed as profit among the individual members of the governing body.” 5

“(3) For the purposes of paragraph (h) of subsection *one* of this section, an institution established for the maintenance or relief of orphans, or of the aged, infirm, sick, or needy, shall be deemed to be carried on for the free maintenance or relief of such persons if the following conditions are satisfied: 10

“(a) If inmates are admitted irrespective of their ability to pay for maintenance or relief; and 15

“(b) If no charge is made in any case where payment of the charge would involve any hardship upon the inmate or upon any other person.”

(2) Section seventy-four of the principal Act is hereby amended by repealing subsection two. 20

(3) This section shall come into force on the *first* day of *April*, nineteen hundred and *fifty-five*.

Postponement  
of rates in case  
of hardship.

5. The principal Act is hereby further amended by inserting, after section seventy-five, the following section: 25

“75A. (1) On the application of any occupier for a postponement on the ground of serious hardship of the payment of any rates due by him, the local authority may, if it thinks fit, on being satisfied after full inquiry that the allegations in the application are true, postpone the payment by the applicant of the whole or such part as the local authority thinks fit of any rates due by the applicant (not being rates which under section seventy-nine of this Act are irrecoverable)— 30

“(a) Until the death of the applicant or until the applicant ceases to be the occupier of the property; or 35

“(b) Until a date specified by the local authority: 40  
“Provided that in any such case if the occupier dies or ceases to be the occupier of the property before the date so specified the rates so postponed shall be payable on the death of the occupier or the date when the applicant ceases to be the occupier of the property, as the case may be. 45

“(2) Where a local authority postpones the payment of any rates under subsection *one* of this section, it may if it thinks fit remit the whole or any part of any additional charge of ten per cent that has been added to those rates  
5 under section seventy-six of this Act.

“(3) Where a local authority postpones the payment of any rates under subsection *one* of this section, the provisions of section seventy-seven of this Act shall apply with respect to those rates as if they first became due on  
10 the date to which payment has been postponed under subsection *one* of this section.

“(4) Any rates the payment of which has been postponed under subsection *one* of this section, together with the amount of the registration fee prescribed by subsection  
15 *five* of this section, shall, on registration of the certificate specified in subsection *five* of this section, be a charge on the estate or interest of the occupier in the land in respect of which they are payable.

“(5) Where the local authority has postponed payment of any rates under subsection *one* of this section it may, on payment of a fee of ten shillings, deposit with the District Land Registrar or the Registrar of Deeds, as the case may require, in the land registration district in which the land is situated a certificate under the hand  
25 of the Chairman or the Clerk describing the land and the estate or interest of the occupier in that land, and stating the amount of the rates payment of which has been so postponed and the amount of the registration fee, and the Registrar shall register that certificate  
30 accordingly.

“(6) Except with the consent of the local authority, no dealing by the occupier (other than an instrument creating a further charge in favour of the local authority in respect of rates subsequently due by the occupier and  
35 postponed under this section) shall be registered against the estate or interest of the occupier in the land while any charge under this section is registered against that estate or interest.

“(7) Upon payment to the local authority of the rates in respect of which a charge has been registered under this section and of the amount of the registration fee on the certificate referred to in subsection *five* of this section, the local authority shall cause a release of the charge to be registered. Upon the deposit with the District Land Registrar or the Registrar of Deeds, as the case may require, of an application under the hand of the Chairman or the Clerk to register a release of the charge, the Registrar shall, without fee, enter a memorial of the release upon the register against the appropriate title. 5 10

“(8) For the purpose of enforcing any charge under this section after the date to which payment has been postponed, the Supreme Court on application by the local authority may make such order as the Court thinks fit either for the sale of the estate or interest which is subject to the charge or for the appointment of a receiver or otherwise, and any order for sale shall be carried into effect by the Sheriff in the same manner as in the case of a writ of sale, with any modifications that may be necessary or as may be provided by rules of Court in that behalf. 15 20

“(9) No stamp duty shall be payable in respect of any document executed for the purposes of this section. 25

“(10) Nothing in this section shall apply in any case where the land is Maori land and the occupier is the owner or beneficial owner of a freehold estate therein.”

6. (1) The principal Act is hereby further amended by repealing section eighty A (as inserted by section five of the Rating Amendment Act 1950), and substituting the following section: 30

“80A. (1) This section shall apply to any property—

“(a) The capital value of which appearing on the existing valuation roll of the district under the Valuation of Land Act 1951 does not exceed one hundred pounds; and 35

“(b) In respect of which no rates have been paid to the local authority for three years or more; and 40

Alternative procedure for sale or letting of abandoned property where judgment for rates not satisfied.

1950, No. 67

1951, No. 19



“(c) In respect of which the owner—

“(i) Is unknown; or

“(ii) Cannot be found after inquiry and has no known agent in New Zealand; or

5 “(iii) Is deceased and has no personal representative; or

“(iv) Gives notice in writing to the local authority that he desires to abandon the property.

10 “(2) In any case to which this section applies the local authority may at any time give not less than one month’s public notice by advertisement in some newspaper circulating in the locality where the property is situated of its intention to exercise in respect of the  
15 property its powers under this section. Any such notice may relate to several properties, whether vested in the same owner or not.

“ (3) At any time after the expiration of one month from the publication of the notice referred to in subsection two of this section the local authority may apply  
20 to the Magistrate’s Court nearest to the place where the property is situated for an order declaring the property to be abandoned property and authorizing the local authority to sell or let it pursuant to this section.

25 “(4) Every application to the Magistrate’s Court under this section shall be made and dealt with by way of originating application under the rules of procedure for the time being in force under the Magistrate’s Courts Act 1947, and the fees prescribed under those rules in  
30 respect of such applications shall be payable thereon. The Magistrate may direct that such further notice of the application be given to such persons and in such manner as he thinks fit.

1947, No. 16

“ (5) The Magistrate, if satisfied that the property  
35 is one to which this section applies and that sufficient notice in accordance with this section has been duly advertised or given, may make an order declaring the property to be abandoned property and authorizing the local authority to sell or let it pursuant to this section,  
40 subject to the proposed sale or letting being advertised in such manner as the Magistrate thinks fit.

“(6) Every order so made shall be deemed to be made upon and subject to the following terms and conditions namely:

- “(a) The local authority may from time to time offer the property for sale or letting by public auction or public tender, until it is sold or let: 5
- “(b) The local authority shall, in the case of every such offer for sale or letting as aforesaid, fix such reserve price or rent as it thinks fit: 10
- “(c) Subject to the provisions of paragraph (b) of this subsection, every offer for sale or letting under this subsection shall be upon and subject to such terms and conditions as the local authority thinks fit: 15
- “(d) The person submitting the highest bid or, as the case may require, the highest tender shall, if the amount of that bid or tender is not less than the reserve price or rent, and if he complies with the terms and conditions so fixed, be the purchaser or lessee, as the case may require: 20
- “(e) Any property offered for sale or letting as aforesaid and not sold or let may, at any time within twelve months thereafter, be sold or let by private contract at a price or rent not less than the reserve fixed when it was so offered and otherwise on such terms and conditions as the local authority thinks fit: 25
- “Provided that no property which has been so offered for letting only shall be sold by private contract until it has first been offered for sale as aforesaid: 30
- “(f) The local authority may be a bidder at any such sale by public auction, and may become the purchaser of the property: 35
- “Provided that the local authority shall not be entitled to purchase the property at any price less than the reserve price.

“(7) The provisions of paragraphs (f), (g), and (i) of section eighty of this Act, the provisions of section eighty-one of this Act, and, except in cases where the local authority is the purchaser of the property, the provisions of paragraph (h) of section eighty of this Act, shall as far as they are applicable and with the necessary modifications, apply to every sale or letting under this section in all respects as if references therein to the Registrar of the Supreme Court were references to the local authority, and as if the reference in paragraph (h) to the signature and seal of office of the Registrar were a reference to the seal of the local authority, in the case of a body corporate, or to the signature of the local authority in any other case.

“(8) Where the local authority is the purchaser of the property, the Registrar of the Magistrate’s Court shall, on demand by the local authority, execute a transfer or conveyance, as the case may require, on behalf of the owner whose interest has been sold, adding after his signature and seal of office the words ‘under the Rating Act 1925’. The execution of any such transfer or conveyance by the Registrar shall be sufficient evidence to the District Land Registrar or the Registrar of Deeds, as the case may be, that all the provisions of this section have been duly complied with.

“(9) It shall not be lawful for the District Land Registrar or the Registrar of Deeds to register any instrument or deed executed by the local authority or by the Registrar of the Magistrate’s Court for the purpose of giving effect to any sale or letting under this section unless there is lodged with the instrument a copy of the order of the Magistrate’s Court sealed with the seal of the Court.

“(10) The provisions of subsection six of section seventy-nine of this Act (which relates to the application of the proceeds of a sale or letting by the Registrar under that section) shall, as far as they are applicable and with the necessary modifications, apply to every sale or letting under this section.

“(11) In any case where the proceeds of any sale under this section are insufficient to meet the amount of any judgment, rates, interest, or costs and expenses to which subsection six of section eighty of this Act applies, the amount of the deficiency may be written off by the local authority as irrecoverable.

“(12) Nothing in this section shall be construed to limit the application of section seventy-nine of this Act to any property to which this section applies, in any case where the local authority elects to proceed under that section or, having proceeded under this section, is unable to sell or let the property pursuant to this section. 5

1948, No. 76

1952, No. 34

“(13) Nothing in this section shall be construed to limit or affect the provisions of the Tenancy Act 1948 or the Land Settlement Promotion Act 1952.”

1950, No. 67

(2) Section five of the Rating Amendment Act 1950 is hereby amended by repealing subsections one and two. 10

Charging  
orders for rates  
on Maori land.

7. Section one hundred and eight of the principal Act is hereby amended by adding to subsection two the following proviso:

“ Provided that, in any case where those rates amount to less than three pounds, no such claim shall be lodged with the Registrar until the total rates due in respect of the land (excluding rates in respect of which a claim has already been lodged with the Registrar) amount to three pounds or more, and the period of two years referred to in the foregoing provisions of this subsection shall be calculated as from the levying of the rates which brought the total rates due in respect of the land to three pounds or more.” 15  
20