(NOTE: This Supplementary Order Paper is in substitution for Supplementary Order Paper No. 19.)

Supplementary Order Paper

HOUSE OF REPRESENTATIVES

Wednesday, the 25th Day of October 1967

RATING BILL

Further Proposed Amendments

Hon. Mr SEATH, in Committee, to move the following further amendments:

Clause 2: To omit from the definition of the term "minerals" the words "mineral gas" in line 34 on page 5.

To add to the same definition the words "and petroleum within the meaning of the Petroleum Act 1937".

Clause 5 (as proposed to be substituted by the Local Bills Committee): To insert in subclause (1), after the word "rate" in line 8, the words ", charge, or fee".

To add the following subclause:

(4) Nothing in subsection (2) of this section shall apply to land acquired by the Corporation of the district of any local authority for any road, street, motorway, access way, or service lane after the end of the rating year in which the land is first used for the purposes of the construction of the road, street, motorway, access way, or service lane, as the case may be.

Clause 28, subclause (1): To add the following proviso:

Provided that where there are more than two occupiers or owners of the land, it shall be a sufficient compliance with the provisions of this subsection requiring their names to be entered in the roll if the names of two of the occupiers or owners, as the case may be, are entered in the roll, followed by the words "and another" or "and others", as the case may require.

Clause 35, subclause (1), paragraph (b): To omit this paragraph, and substitute the following paragraph:

(b) That the rate be of a stated amount in the dollar on the rateable values of the rateable property appearing in the valuation roll for the time being in force:

Clause 57: To omit this clause, and substitute the following clause:

57. Rates to constitute a charge on land—All rates made in respect of any land shall constitute a charge on the land:

Provided that all rates made in respect of any public reserve within the meaning of the Reserves and Domains Act 1953 shall be a first charge on the property of the persons who are trustees thereof as such trustees, or of the society, board, or corporation in or to whom the reserve is vested or granted, and may be recovered from them as such trustees, or from the society, board, or corporation as a debt due to the local authority to which the rates are payable.

Clause 63, subclause (1): To insert, after the word "commenced" in line 10, the words "in any Court".

Clause 67, subclause (8): To insert, after the words "local authority", in line 6 on page 65, the words "and on being satisfied by such evidence as he considers sufficient that all the provisions of this section have been duly complied with".

Clause 75, subclause (1A) (as proposed to be inserted by the Local Bills Committee): To omit this subclause and substitute the following subclause:

(1A) Notwithstanding anything in subsection (1) of this section or in Part I of the Rating Amendment Act 1965, where a new valuation roll for the district of a territorial authority is prepared following a revaluation of the district, the territorial authority shall, as soon as practicable after all applications under section 72 of this Act, or, as the case may be, under section 3 of the Rating Amendment Act 1965, that were received by the territorial authority within one month after the date on which notice of the new valuation of the property was received by the occupier have been dealt with by the territorial authority, prepare and send to the Valuer-General, and also, where the system of rating on the annual value is in force in its district, to the Valuer appointed by the territorial authority, a list showing the valuation roll number and occupier of every residential property in respect of which such an application was granted under section 73 or section 74 of this Act, or, as the case may be, under section 4 or section 5 of the Rating Amendment Act 1965:

Provided that this subsection, so far as it relates to applications under section 3 of the Rating Amendment Act 1965, shall apply only with respect to such applications granted on or after the fifteenth day of September, nineteen hundred and sixty-seven.

Clause 108, subclause (4): To omit the words "said period of fourteen days", in line 2 on page 89, and substitute the words "period specified in or pursuant to that subsection".

Clause 130, subclause (1), paragraph (f): To insert, after the words "public reserve" in line 33, the words "or private scenic reserve or private historic reserve".

Clause 136, subclause (1): To add the words "In every such case the rates shall be levied by delivering the rates assessment to the person in actual occupation of the land, and the provisions of section 49 of this Act shall apply as if he were the occupier."

Clause 137, subclause (4): To omit the words "Subject to the provisions of subsection (5) of this section", in lines 16 and 17 on page 105.

Clause 142: To add the following definition:

"Special-purpose authority" includes the Fire Board of a united urban fire district; and also includes any other public body which by virtue of any enactment is empowered to make a levy on two or more territorial authorities; and "district", in relation to any such last-mentioned public body, means the area comprising all the districts of those territorial authorities; and "constituent district" has a corresponding meaning.

Clause 157A (proposed to be inserted by the Local Bills Committee): To insert in subclause (1), after the word "rates" in line 22, and also after the word "rates" in line 25, the words ", charges, or fees".

First Schedule: To insert in *clause 1,* after the words "technical institute", in the second line of the clause, the words "or teachers college".

To omit the words "or institute", in the second line of the clause and also in the fifth line of the clause, and substitute in each case the words ", institute, or college".

To insert, after *clause 2,* the following clause:

2A. Land vested in the controlling authority of a play centre which is used and occupied for the purposes of the play centre, being a play centre recognised by the Director-General of Education as one qualified to receive grants from money appropriated by Parliament.

Clause 7: That this clause, proposed to be omitted by the Local Bills Committee, stand part of the Bill.

To omit *clause 20* (proposed to be added by the Local Bills Committee), and substitute the following clause:

20. Land vested in a Harbour Board on which are situated any harbour works within the meaning of the Harbours Act 1950, except—

(a) Land on which any dwellinghouse is erected:

(b) Land on which is erected any building used wholly or principally for office purposes, whether by the Board or any other person, other than such a building erected on any wharf within the meaning of the Harbours Act 1950:

(c) Land which is let or leased on a tenancy of any kind whatsoever granted by the Board, other than—

(i) A tenancy of any wharf within the meaning of the Harbours Act 1950 or of any building on any such wharf:

(ii) Land used wholly or principally for the provision of amenities for waterfront workers (including waiting rooms, restaurants, canteens, locker rooms, and first-aid rooms) or used by the Waterfront Industry Commission as a labour engagement bureau.

Second Schedule: To insert in form 2, after the words "[*Name of local authority*] in the third line of the body of the form, the words "on [*Here state date on which rates are due and payable*], and must be paid".

Third Schedule: To add to the proposed new section 33 of the Dunedin District Drainage and Sewerage Act 1900 Amendment Act 1902 (on page 127), as subsection (2), the following subsection:

"(2) Any sewer or drain of any kind the property of the Board which is situated on or in land that is not vested in the Board shall be deemed not to be rateable property for the purposes of the Rating Act 1967."

To omit the proposed new subsection (5) of section 131 of the Local Authorities Loans Act 1956, on page 131, and substitute the following subsection:

"(5) Nothing in this section shall apply to land acquired by the Crown for any road, street, motorway, access way, or service lane after the end of the rating year in which the land is first used for the purposes of the construction of the road, street, motorway, access way, or service lane, as the case may be."

To omit from the proposed amendment to section 91 of the Auckland Metropolitan Drainage Act 1960 (on page 132) the word "subsection" in the second line of the second column on that page, and substitute the word "subsections".

To add to the same proposed amendment the following additional subsection:

"(1A) Any sewer or drain of any kind the property of the Board which is situated on or in any land that is not vested in the Board shall be deemed not to be rateable property for the purposes of the Rating Act 1967."

To omit from the proposed amendment to section 67 of the North Shore Drainage Act 1963 (on page 132) the word "subsection" in the eighteenth line of the second column on that page, and substitute the word "subsections".

To add to the same proposed amendment the following additional subsection:

"(1A) Any sewer or drain of any kind the property of the Board which is situated on or in any land that is not vested in the Board shall be deemed not to be rateable property for the purposes of the Rating Act 1967."

To insert, after the proposed amendment to the North Shore Drainage Act 1963 (on page 132), in the appropriate columns thereof, the following words:

1963, No. 18 (Local)—The Auckland Regional Authority Act 1963	By omitting from subsection (7) of section 42 (as substituted by section 7 of the Auckland Regional Authority Amendment Act 1966) the words "shall have and shall be deemed always to have had all exemptions from rates and otherwise, and". By repealing the first proviso to the said subsection (7). By inserting, after the said subsection (7), the following subsections: "(7A) Where any land the fee simple of which is vested in the Authority and which is used for the purposes of its waterworks or bulk water supply undertaking is situated in the district of a local autho-

1963, No. 18 (Local)—The Auckland Regional Authority Act 1963—*continued*

rity where the system of rating on the capital value or on the annual value is in force in respect of any rate to which the land is liable, the amount of rates payable by the Authority in respect of that land shall be equal to the amount that would be payable if the system of rating on the unimproved value were in force in respect of all rates made and levied by that local authority.

"(7B) Any waterworks or bulk water supply undertaking the property of the Authority which are situated on any land that is not vested in the Authority in fee simple shall be deemed not to be rateable property for the purposes of the Rating Act 1967."

To omit from subsection (2) of the proposed section 79A of the Local Elections and Polls Act 1966 (on page 134) the words "provided for the purpose by", and substitute the words "acceptable to the Clerk or other proper officer of".

To add to the same subsection the following proviso:

"Provided that in the case of a partnership or joint tenancy the partner or tenant whose name is ordinarily used as the first or leading name in the partnership or tenancy shall be deemed to be the person so nominated, unless another of the partners or joint tenants has been nominated by the partners or joint tenants in accordance with this subsection."

To omit the proposed new section 80 of the Hutt Valley Drainage Act 1967, on page 136, and substitute the following section:

"**80. Liability for rates**—Any main sewer (excluding any pumping station) the property of the Board, whether or not the land on or in which it is situated is vested in the Board, shall be deemed not to be rateable property for the purposes of the Rating Act 1967."

Fourth Schedule: To omit from the item relating to the Valuation of Land Act 1951 (on page 138) the words "paragraphs (a) to (c)", and substitute the words "paragraphs (a) and (c)".

EXPLANATORY NOTE

Clause 2 is intended to remove a doubt as to whether the term "minerals", which is defined as including mineral gas, also includes natural gas. The amendment includes within that term petroleum as defined in the Petroleum Act 1937. The definition of that term includes natural gas.

Clause 5: The proposed amendment to subclause (1) is to make it clear that the provision that non-rateable property will be liable for separate rates for water, sanitation, or sewerage purposes will also extend to cases where, instead of making and levying a separate rate, the local authority makes and levies a charge or fee for such purposes.

The effect of the new subclause (4) will be that where any land liable to a special rate is acquired by the Corporation of the district of a local authority for the purposes of a road, street, motorway, access way, or service lane, it will cease to be liable to the special rate after the end of the rating year in which it is first used for the purposes of the construction of the road, street, motorway, access way, or service lane.

Clause 28: Subclause (1) of this clause requires the names of the occupiers or owners of any land to be entered in the valuation roll. This amendment will enable the names of two of the occupiers or owners to be entered in the roll in cases where there are more than two owners or occupiers. This is already current practice in many cases.

Clause 35: The purpose of this amendment is to enable alterations in rateable values lawfully entered in the valuation roll up to the date of the making of any rate to be taken into account in fixing the rateable values for the purposes of the rate. This is of particular significance in the case of annual value rating, where the valuation roll is compiled as at 15 January.

Clause 57: The effect of this clause as proposed to be amended by the Local Bills Committee will be that rates will not be a charge on the land until default has been made and the local authority has obtained judgment. This would have the effect of substantially changing the existing law. It was decided by the Court of Appeal in *The King* v. *Mayor, etc. of Inglewood* [1931] N.Z.L.R. 177 that under the existing law all rates from the time they are duly made, and without judgment having been registered for them, constitute a charge on the rateable property in respect of which they are made. In the case of land under the Land Transfer Act, this charge takes priority, without registration, over all registered encumbrances.

This amendment is intended to preserve the existing law, as interpreted in the *Inglewood* case, so that rates will become a charge on land as soon as they are made, and without judgment having been entered for them.

Clause 63, subclause (1): This amendment is intended to make it clear that the term "action" in line 9 means a Court action.

Clause 67, subclause (8): This amendment will enable the Registrar of a Magistrate's Court, before signing a transfer to a local authority of land bought in by the local authority at a public auction of land being sold for non-payment of rates, to require sufficient proof that all the requirements of the clause have been duly complied with.

Clause 75, subclause (1A): The effect of this subclause (as inserted by the Local Bills Committee) is that where an occupier of residential property in an area zoned for commercial or industrial purposes is granted a postponement of rates under Part IV of the Bill in cases where, on a revaluation of the district, a new valuation roll of the district is prepared, the postponement will take effect for the rating year in which the new valuation roll takes effect.

This is not the position under Part I of the Rating Amendment Act 1965, as the only cases in which rates postponement will take effect for the rating year commencing 1 April 1968 will be those where the applications were granted before 15 September 1965. Those granted after that date would not operate until the rating year commencing 1 April 1969.

This amendment removes that anomaly by extending the proposed new subclause (1A) so as to apply to cases where a new valuation roll will come into force for the rating year commencing 1 April 1968 and the applications for rates postponement were granted on or after 15 September 1967.

Clause 108: This amendment is consequential on the proposed amendment to subclause (3) of this clause.

Clause 130: This amendment will authorise a local authority to remit or postpone rates on private scenic reserves declared under section 58 of the Reserves and Domains Act 1953 or on private historic reserves declared under section 65 of that Act.

Clause 136: This amendment is intended to prescribe the procedure by which rates on Maori land are to be levied in cases where a person in actual occupation, though not the occupier as defined in clause 2, is liable for rates. The amendment provides that rates are to be levied by delivering the rates assessment to that person as if he were the occupier.

Clause 137: The words proposed to be omitted by this amendment are unnecessary, as they are repeated subsequently in the subclause. See lines 18 and 19 on page 105.

Clause 142: The adjustment of valuations under Part IX of the Bill is made in cases where a special-purpose authority is empowered to make and levy a rate over two or more constituent districts within its district or to make a levy on the territorial authorities of two or more constituent districts within its district.

By the definition of "special-purpose authority" in the Bill, the term is limited to one having rating powers, and Part IX would not apply to a body which had no rating powers but had power to make levies on territorial authorities, such as the Fire Board of a united urban fire district.

The effect of this amendment will be to apply Part IX to such public bodies, so that for the purposes of the levies payable to them by territorial authorities the rateable values of the rateable property in the districts of those authorities may be adjusted under that Part.

Clause 157A: This amendment is to make it clear that the provisions validating separate rates for water, sanitation, or sewage purposes made and levied on non-rateable property will extend to cases where, instead of making and levying a separate rate, the local authority has made and levied a charge or fee.

First Schedule: Clause 1 includes among the land exempted from rates under that clause certain land vested in an Education Board. This at present operates to exempt teachers colleges from rates as they are at present under the control and management of Education Boards, but, as the Education Act 1964 authorises regulations to be made providing for the control and management of teachers colleges, a teachers college would lose that exemption if by an amendment to the regulations its control and management were vested in some governing body other than an Education Board, unless the land were vested in the Crown.

The effect of this amendment will be to continue the exemption of teachers colleges from rates, if by a subsequent amendment to the regulations they come under the control and management of a governing body other than an Education Board.

Clause 2A: The effect of this clause is to exempt play centres from rates if they are recognised by the Director-General of Education as being qualified to receive grants from money appropriated by Parliament.

Clause 7 exempted from rating any land, other than land used for farming purposes, used and occupied by or for the purposes of a separate institution within the meaning of the Hospitals Act 1957. It was proposed that this clause be omitted as it was considered that the exemption was covered by other provisions. It now appears that this may not be so, and it is now proposed that *clause 7* remain in order to preserve the existing exemption.

The effect of the proposed new *clause 20* of this Schedule will be that all land on which are situated any harbour works within the meaning of the Harbours Act 1950 will be exempt from rates, with the following exceptions:

(a) Land on which any dwellinghouse is erected:

(b) Land on which is erected any building used wholly or principally for office purposes. This exception will not apply where the building is erected on any wharf as defined in the Harbours Act 1950, and such land will be exempt from rates:

(c) Land let or leased on any tenancy granted by the Board. This exception will not apply to a tenancy of any wharf as so defined or of any building on any such wharf, nor to land used wholly or principally for the provision of amenities for waterfront workers or used by the Waterfront Industry Commission as a labour engagement bureau, and such premises will be exempt from rates.

Second Schedule: This amendment will require a rates assessment to set out the date on which the rates are due and payable. The form in the Bill sets out only the penalty date.

Third Schedule: The proposed further amendments to section 33 of the Dunedin District Drainage and Sewerage Act 1900 Amendment Act 1902, section 91 of the Auckland Metropolitan Drainage Act 1960, and section 67 of the North Shore Drainage Act 1963 are intended to exempt from rates any sewers and drains that are the property of the respective Boards but are not on land vested in the Board. The existing amendments in the Bill apply only in the case of sewerage works that are on land vested in the Board.

The proposed new subsection (5) of section 131 of the Local Authorities Loans Act 1956 is intended to make the same provision where land is acquired by the Crown for the purposes of a road, street, motorway, access way, or service lane as appears in *clause 5 (4)* where land is acquired for such purposes by the Corporation of a local authority. See the note on that subclause appearing earlier in this explanatory note.

The effect of the amendments to the Auckland Regional Authority Act 1963 will be to retain the existing provisions relating to the liability of the Auckland Regional Authority for rates on its waterworks and bulk water supply undertaking. At present, the Authority is liable for rates on the unimproved value on all land vested in the Authority in fee simple which is used by the Authority for the purposes of its waterworks or bulk water supply undertaking. These amendments will preserve that position.

The first amendment to the proposed section 79A (2) of the Local Elections and Polls Act 1966 will make it unnecessary for a nomination of the person to exercise a ratepayer's vote to be in a form provided by the local authority. It will be sufficient if it is a form acceptable to the Clerk or other proper officer.

The second amendment to that subsection will make it unnecessary for partners or joint tenants to nominate one of them to exercise a ratepayer's vote unless they wish to do so. In the absence of a nomination, the partner or joint tenant whose name ordinarily appears as the first name in the partnership or joint tenancy will be entitled to exercise the vote. This re-enacts the present law.

The Hutt Valley Drainage Board owns land in several territorial districts, in all of which the unimproved value system is in force with the exception of the City of Lower Hutt, where the annual value system is in force. The Board and the City Council have now requested that section 80 of the Hutt Valley Drainage Act 1967 be rewritten to provide that all land of which the Board is the occupier will be rateable in accordance with the system in force in the district in which the land is situated, but the Board's main sewers (as defined in section 2 (1) of the above-mentioned Act), other than pumping stations, are to be exempt from rates. The new section 80 proposed in this Supplementary Order Paper will have that effect.

The Hutt Valley Drainage Board also owns land in the district of the Hutt River Board. The capital value rating system is in force in that district, and the proposed new section 80 would accordingly apply in this case also. Both Boards are in agreement that this should be so.

Fourth Schedule: This amendment is consequential on the proposed amendment to clause 35 (1) (b) (see page 1 of this Supplementary Order Paper).