

**Reprint  
as at 1 November 2013**



**Local Government (Auckland  
Transitional Provisions) Rating  
Regulations 2012**

(SR 2012/98)

Local Government (Auckland Transitional Provisions) Rating Regulations 2012: expired, on 1 November 2013, pursuant to section 5(3) of the Local Government (Auckland Transitional Provisions) Act 2010 (2010 No 37).

Rt Hon Dame Sian Elias, Administrator of the Government

**Order in Council**

At Wellington this 21st day of May 2012

Present:

Her Excellency the Administrator of the Government in Council

Pursuant to section 5(1) of the Local Government (Auckland Transitional Provisions) Act 2010, Her Excellency the Administrator of the Government makes the following regulations, acting—

- (a) on the advice and with the consent of the Executive Council;  
and
- (b) on the recommendation of the Minister of Local Government.

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**Note**

Changes authorised by subpart 2 of Part 2 of the Legislation Act 2012 have been made in this reprint.

Note 4 at the end of this reprint provides a list of the amendments incorporated.

**These regulations are administered by the Department of Internal Affairs.**

**Contents**

		Page
1	Title	3
2	Commencement	3
3	Interpretation	3
4	Sections 40 and 41 of Act modified	3

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## Regulations

### 1 Title

These regulations are the Local Government (Auckland Transitional Provisions) Rating Regulations 2012.

### 2 Commencement

These regulations come into force on the 28th day after the date of their notification in the *Gazette*.

### 3 Interpretation

In these regulations, **Act** means the Local Government (Auckland Transitional Provisions) Act 2010.

### 4 Sections 40 and 41 of Act modified

For the period during which the Auckland Council may set rates in accordance with sections 39 to 43 of the Act, those sections must be read as if the following sections replaced sections 40 and 41:

#### “40 Interpretation

In sections 41 to 43,—

“**categories of rateable land** means categories that are defined in terms of 1 or more of the matters listed in Schedule 2 of the Local Government (Rating) Act 2002

“**change limit** means the maximum change in rating liability permitted in respect of a rating unit in a rating year as identified in any Council policy made under section 41(1)

“**current rates**, in respect of a rating unit for a rating year, means the amount calculated using the following formula:

$$a - b$$

where—

a is the amount of rates assessed in accordance with section 43 of the Local Government (Rating) Act 2002 for the rating unit for that year

b is the amount of excluded rates assessed in accordance with section 43 of the Local Government (Rating) Act 2002 for the rating unit for that year

“**excluded rate** means a rate specified under section 41(2) as being excluded from the application of a Council policy made under subsection (1) of that section

“**previous rates** has the meaning given by section 40A

“**rating year** means—

“(a) the 2012/2013 financial year:

“(b) the 2013/2014 financial year:

“(c) the 2014/2015 financial year

“**unchanged rating unit**, in respect of a rating year, means a rating unit that, compared with the immediately preceding year, is unchanged in terms of the information to be used for setting and assessing rates for the rating unit. For the purposes of this definition, the following are not changes in information:

“(a) a change resulting from the valuation required by section 18B of the Reorganisation Act; or

“(b) a change resulting from an objection under section 29 of the Local Government (Rating) Act 2002; or

“(c) a change resulting from a correction under section 40 of the Local Government (Rating) Act 2002; or

“(d) a change resulting from the implementation of a decision of the Land Valuation Tribunal under section 39 of the Rating Valuations Act 1998.

“**40A Meaning of previous rates**

“(1) In sections 41 to 43, **previous rates**, in respect of a rating unit for the 2012/2013 financial year, means the amount calculated using the following formula:

$$a - b$$

where—

a is the amount of the rate assessed for the rating unit under section 33 of this Act

b is the amount of the proportion of variable a that was assessed for the same purposes as excluded rates are assessed in accordance with section 43 of the Local Government (Rating) Act 2002 for the rating unit for the 2012/13 financial year.

“(2) However, if the change limit specified for the 2012/2013 financial year is the change limit described in section 41(6)(d),

then for the purposes of determining that limit, and applying it under section 42(2), **previous rates**, in respect of a rating unit for the 2012/2013 financial year, means the amount calculated using the following formula:

$$c \times d$$

where—

- c is the amount determined under subsection (1)
- d is the proportionate change required in respect of variable c to meet the rate revenue requirements of the Council, other than in respect of excluded rates, for the 2012/13 financial year.

“(3) In sections 41 to 43, **previous rates**, in respect of a rating unit for any other rating year, means the amount of rates, other than excluded rates, assessed for the rating unit in accordance with section 43 of the Local Government (Rating Act) 2002 in the immediately preceding rating year, taking into account any adjustment made to that amount under section 42 of this Act.

“(4) However, if the change limit specified for any other rating year is the change limit described in section 41(6)(d), then for the purposes of determining that limit, and applying it under section 42(2), **previous rates**, in respect of a rating unit for any other rating year, means the amount calculated using the following formula:

$$e \times f$$

where—

- e is the amount determined under subsection (3)
- f is the proportionate change required in respect of variable e to meet the rate revenue requirements of the Council for the current rating year for the rates to which the definition in subsection (3) applies.

“**41 Council may have rates transition management policy for 3-year period commencing 1 July 2012**

“(1) The Council may include in its long-term plan for the period commencing 1 July 2012 a rates transition management policy.

“(2) The policy may specify 1 or more targeted rates that are to be excluded from the application of the policy.

- “(3) The policy must identify the change limit for each rating year, which is the maximum change in rating liability permitted under the policy in relation to an unchanged rating unit in a rating year.
- “(4) Despite subsection (3), the Council may identify different change limits for different categories of rateable land, in which case the policy must identify the change limits for each rating year in respect of an unchanged rating unit for each of the categories.
- “(5) The change limit may be—
- “(a) uniform (so that the same change limit applies to increases and decreases in rating liability); or
  - “(b) differential (so that the change limit that applies to increases in rating liability is different from the change limit that applies to decreases in rating liability), but only if the difference is calculated so that the expected net impact referred to in subsection (8)(c) is zero.
- “(6) The change limit for each rating year may be—
- “(a) an actual amount; or
  - “(b) a proportion of the previous rates in respect of that year; or
  - “(c) a combination of the amounts in paragraphs (a) and (b); or
  - “(d) a specified proportion of the difference between the previous rates and the current rates in respect of that year.
- “(7) The positive and negative components of a differential change limit may differ in amount or proportion or both.
- “(8) The policy must also describe the estimated impact of the policy, for each rating year, in terms of—
- “(a) the proportion of rating units for which the policy will result in a reduction in rates liability, and the expected range of reductions; and
  - “(b) the proportion of rating units for which the policy will result in an increase in rates liability, and the expected range of increases; and
  - “(c) the expected net impact of the policy on the Council’s rates revenue; and
  - “(d) if the policy identifies different change limits for different categories of rateable land, the information required

under paragraphs (a) to (c) in respect of each of the categories.

- “(9) Sections 84(4) and 94 of the Local Government Act 2002 do not apply to an amendment to the policy.
- “(10) Section 102 of the Local Government Act 2002 applies to the policy as if the policy were listed in subsection (3) of that section.
- “(11) To avoid doubt, nothing in this section or section 42 affects the liability of a rating unit in any rating year for any rates excluded from the application of the policy under subsection (2).”

Rebecca Kitteridge,  
Clerk of the Executive Council.

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### **Explanatory note**

*This note is not part of the regulations, but is intended to indicate their general effect.*

These regulations, which come into force on the 28th day after the date of their notification in the *Gazette*, modify the mechanism in sections 39 to 43 of the Local Government (Auckland Transitional Provisions) Act 2010 that provides the Auckland Council with a means to manage significant changes in rating liability resulting from the reorganisation of local government in Auckland and the creation of a single rating system.

*Regulation 4* provides that, for the period during which the Council may set rates under sections 39 to 43, those sections must be read as if the sections 40, 40A, and 41 set out in that regulation replaced the current sections 40 and 41.

These modifications provide greater flexibility to the Council to manage the change, including in the way in which the maximum change

in rating liability permitted in respect of a rating unit may be set (the **change limit**). The change limit may now be—

- applied separately and differently to different categories of rateable land defined in terms of 1 or more of the matters listed in Schedule 2 of the Local Government (Rating) Act 2002:
- phased so that the annual change is a proportion of the difference between the amount of rates assessed for a year and the amount assessed for the immediately preceding year:
- calculated excluding specified targeted rates.

These regulations expire in accordance with section 5(3) of the Act.

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Issued under the authority of the Acts and Regulations Publication Act 1989.  
Date of notification in *Gazette*: 24 May 2012.

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## **Reprints notes**

### **1     *General***

This is a reprint of the Local Government (Auckland Transitional Provisions) Rating Regulations 2012 that incorporates all the amendments to those regulations as at the date of the last amendment to them.

### **2     *Legal status***

Reprints are presumed to correctly state, as at the date of the reprint, the law enacted by the principal enactment and by any amendments to that enactment. Section 18 of the Legislation Act 2012 provides that this reprint, published in electronic form, will have the status of an official version once issued by the Chief Parliamentary Counsel under section 17(1) of that Act.

### **3     *Editorial and format changes***

Editorial and format changes to reprints are made using the powers under sections 24 to 26 of the Legislation Act 2012. See also <http://www.pco.parliament.govt.nz/editorial-conventions/>.

### **4     *Amendments incorporated in this reprint***

Local Government (Auckland Transitional Provisions) Act 2010 (2010 No 37): section 5(3)

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