

# House of Representatives

# Supplementary Order Paper

Wednesday, 13 December 2017

## Rates Rebate (Retirement Village Residents) Amendment Bill

### *Proposed amendments*

Hon Ruth Dyson, in Committee, to move the following amendments:

#### *Clause 4*

Replace *clause 4(1)* (page 1, line 11 to page 2, line 3) with:

- (1) In section 2(1), replace the definition of **residential property** with:  
**residential property** means—
  - (a) a rating unit under the Local Government (Rating) Act 2002 that is used as the usual place of residence of the ratepayer at the commencement of the rating year in respect of which an application for a rebate under this Act is made, but does not include any unit that is also used principally for commercial or industrial or business or farming purposes; or
  - (b) a rating unit under the Local Government (Rating) Act 2002 that is used as a retirement village at the commencement of the rating year in respect of which an application for a refund under **section 7A** is made

In *clause 4(2)*, delete the new definition of **occupation right agreement** (page 2, lines 5 to 6).

In *clause 4(2)*, after the new definition of **resident** (page 2, after line 10), insert:

**residential unit** has the same meaning as in section 5 of the Retirement Villages Act 2003

#### *New clauses 5 to 7*

After *clause 4* (page 2, after line 12), insert:

**Proposed amendments to  
Rates Rebate (Retirement Village Residents)  
Amendment Bill**

SOP No 10

---

**5 New section 7A inserted (Refund to resident of retirement village of contribution towards rates)**

After section 7, insert:

**7A Refund to resident of retirement village of contribution towards rates**

- (1) This section applies to a resident of a retirement village—
  - (a) who has a residential unit in the retirement village that is not separately rated; and
  - (b) who contributes to the outgoings of the retirement village.
- (2) A resident may apply for a refund of the amount of the rates contribution that the resident would be entitled to receive as a rebate under section 3 if—
  - (a) the residential unit were separately rated and the resident were the ratepayer; and
  - (b) the amount of the resident's rates contribution in any rating year is the amount of the rates payable in respect of the residential unit for that rating year.
- (3) For the purpose of calculating a resident's income in accordance with section 3 (as applied by **subsection (2)**), the resident's income for the preceding tax year includes the income for that tax year of a spouse, a partner, or any other person who was ordinarily resident in the residential unit at the commencement of the rating year for which an application for a refund is made.
- (4) An application for a refund must—
  - (a) be made on a form provided for the purpose by the Secretary for Local Government; and
  - (b) be verified by the declaration of the resident; and
  - (c) be accompanied by a certificate in writing signed by the operator of the retirement village specifying—
    - (i) the total amount of the rates payable in respect of that retirement village for the rating year; and
    - (ii) the amount of the resident's rates contribution, and if **subsection (5)** applies, the amount of the resident's annual contribution and the total amount of the annual contributions made by all residents of the retirement village; and
    - (iii) that the resident's rates contribution was made under a written agreement between the operator and the resident; and

- (d) be left at the public office of the territorial authority in whose district the property is situated (whether the rates are payable to that territorial authority or to any other local authority) or be sent by post addressed to that office.
- (5) If no part of the resident's annual contribution to the outgoings of the retirement village is specifically made in respect of rates, then, for the purposes of this section, the resident is deemed to have contributed in respect of rates an amount that bears to the total amount of rates payable in respect of the retirement village the same proportion as the amount of the resident's contribution bears to the total amount of the contributions of all the residents of the retirement village.
- (6) After being satisfied that the application has been properly completed, the chief executive of the territorial authority, or an officer authorised by the chief executive for the purpose, must—
  - (a) credit any refund amount to the rates account of the retirement village and notify the operator and the resident in accordance with **subsection (8)**; or
  - (b) if the resident requests, pay any refund amount to the resident.
- (7) On receipt of a refund amount under **subsection (6)(a)**, the operator must—
  - (a) credit the refund amount to any amount that the resident owes, or may be liable to pay, as a contribution to the outgoings of the retirement village; or
  - (b) pay the refund amount to the resident.
- (8) A notice under **subsection (6)(a)** must state the resident's name, the refund amount, the rating year that the refund amount applies to, and when the refund amount was credited.
- (9) Section 5(4) applies to the application with all necessary modifications.
- (10) In this section, **rates contribution** means, in relation to a resident of a retirement village, that part of the resident's contribution to the outgoings of the retirement village that is made (whether specifically or by virtue of **subclause (5)**) towards the rates payable in respect of the retirement village.

**6 Section 9 amended (Refund to territorial authorities of rebates granted)**

In section 9(1), replace—

- (a) “paragraph (d) of subsection (1) of section 8) or a refund of rates under section 6 or section 7” with “section 8(1)(d) or

**Proposed amendments to  
Rates Rebate (Retirement Village Residents)  
Amendment Bill**

SOP No 10

---

any person has been granted a refund of rates under section 6, 7, or **7A**”; and

- (b) “the provisions of the said section 5 or section 6 or section 7” with “section 5, 6, 7, or **7A**”.

**7 Section 10 amended (Recovery of overpayments)**

- (1) In section 10(1)(a), replace “paragraph (d) of subsection (1) of section 8) or a refund of rates under section 6 or section 7” with “section 8(1)(d) or any person has been granted a refund of rates under section 6, 7, or **7A**”.
- (2) In section 10(1)(b), after “ratepayer”, insert “or person”.
- (3) In section 10(2)(a), replace “section 5 or section 6” with “section 5, 6, 7, or **7A**”.
- (4) In section 10(2)(b), after “ratepayer”, insert “or person”.
- (5) In section 10(2), after “recovered from the ratepayer”, insert “or person”.

**Explanatory note**

This Supplementary Order Paper amends the Rates Rebate (Retirement Village Residents) Amendment Bill by adding *new clauses 4 to 7* to the Bill.

The main amendment is made by *clause 5* which inserts *new section 7A* into the Rates Rebate Act 1973 (the **principal Act**). *New section 7A* applies to a resident of a retirement village who does not pay rates in respect of his or her residential unit but contributes to the outgoings of the retirement village (which includes the rates of the retirement village). The resident may apply, in accordance with *new section 7A(4)*, for a refund of the amount that the resident would be entitled to receive as a rates rebate under section 3 of the principal Act if—

- the resident’s residential unit were separately rated and the resident were the ratepayer; and
- the amount that the resident contributed towards the rates was the amount of the rates payable for that unit in the rating year.

The other changes proposed by this Supplementary Order Paper include, among other things, consequential amendments to sections 9 and 10 of the principal Act and a new definition of **residential property**.