

Discount for the Early Payment of Rates

1 Introduction

Section 55 of the *Local Government Act 2002* requires the Council to have a policy for "the early payment of rates in the current year" if it wishes to offer a discount for early payment.

2 Policy Context

The Waimakariri District Council has historically offered a discount of 4% of certain rates (listed in the Policy Statement below) if the total current years rates and any outstanding prior years rates and penalties are paid in full by the penalty date of the first instalment in the current year.

The discount provides an incentive to ratepayers to pay the total rates up front, rather than by quarterly instalments throughout the year.

Benefits to the Council include a reduction in processing and postal costs for the remaining instalments and an increased cash flow at the start of the financial year.

If the Council wishes to continue to offer a discount, it must have a current policy in place.

3 Policy Objective

Meet the objectives of fairness and equity by providing a financial incentive to ratepayers who pay their rates in full early.

Avoid the printing, delivery and receipting costs associated with subsequent instalment processing, contributing to a more efficient use of Council resources.

4 Policy Statement

1. The Council will allow a discount of 4% of certain rates if the total current rates and any rates arrears from previous years are paid by the penalty date of the first instalment in the current year.
2. For the purposes of this policy "total current rates and any rates arrears from previous years" includes rates collected by Waimakariri District Council on behalf of Environment Canterbury.
3. The rates that are subject to the discount are the General Rate, Uniform Annual General Charge, Rooding Rates, Community Parks and Reserves, Buildings and Grants Rates, Pegasus Services Rate, Community Library and Museums Rate, Community Swimming Pools Rate, Canterbury Museum Operational Levy Rate and Canterbury Museum Development Levy Rate.

5 Links to legislation, other policies and community outcomes

Local Government (Rating) Act 2002
Revenue & Financing Policy

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6 Adopted by and date

Adopted by Council on 19 June 2018 through the 2018-28 Long Term Plan.

The following Delegations apply:

Rates Supervisor or Customer Services Manager – to apply discounts that meet the requirements of this Policy.

Manager, Finance & Business Support – to hear and make a final decision on any appeal on an application for discount that has been declined.

7 Review

Next review at 2024 Long Term Plan.