

# **Rates Rebate (Statutory Declarations) Amendment Bill**

Government Bill

As reported from the Social Services and Community Committee

## **Commentary**

### **Recommendation**

The Social Services and Community Committee has examined the Rates Rebate (Statutory Declarations) Amendment Bill and recommends that it be passed with the amendments shown.

### **Introduction**

The bill seeks to amend the Rates Rebate Act 1973 (the principal Act), which sets out a government-funded rebate scheme for low-income ratepayers. The intent of the bill is to make it easier for eligible applicants to apply for a rates rebate.

The bill would remove the requirement for applicants to make a statutory declaration to verify that their information is true and correct. Under the current scheme, an applicant must either go to a council office to do this, or have a declaration witnessed by an authorised person, such as a Justice of the Peace. This can be difficult, costly, and time-consuming.

The requirement to make a statutory declaration would be replaced with a requirement to verify the application in a manner and form approved by the Secretary for Local Government. Applicants would still have to verify that the information in their application is true, but they could do so without needing to be witnessed.

The bill would also allow for territorial authorities to design application forms for the purposes of the principal Act, subject to approval from the Secretary for Local Government. Removing the requirement for a statutory declaration would enable territorial authorities to offer an online application process alongside a paper-based one.

### **Proposed amendment**

We propose just one main amendment to the bill as introduced. We do not discuss minor or technical amendments.

### **Commencement date**

We note that this legislation is unlikely to be enacted before the 1 April 2020 commencement date specified in the bill as introduced.

We therefore recommend amending clause 2 so that it would come into force on 1 July 2020. This date would also coincide with the start of the next rating year.

### **Other matters we considered**

We discussed the possibility of having applicants include their IRD number on the application form, to enable income data-matching with the Inland Revenue Department. No legislative changes would be needed to require an IRD number to be provided on the application form. However, several other changes would be needed for the Department of Internal Affairs to undertake data-matching with the IRD. We recommend that the Secretary for Local Government consider having applicants include their IRD number on rates rebate application forms.

### **National Party minority view**

National members believe that the requirement to sign a Statutory Declaration gives the process of applying for a rates rebate legal oversight. There is a penalty for providing a false declaration and therefore a legal imperative to be accurate with the information that is supplied in support of a rates rebate.

The Rates Rebate (Statutory Declarations) Amendment Bill proposes an honesty-based system which would be open to abuse. It is highly unlikely that councils would dedicate staff to verifying the information provided in the application process proposed by this bill, therefore the process would have no oversight or any way of monitoring the information provided by applicants is accurate.

National members are cognisant of tax payers' funds supporting this rebate scheme and understand the need to be prudent when re-distributing those funds to others.

## Appendix

### Committee process

The Rates Rebate (Statutory Declarations) Amendment Bill was referred to the committee on 24 September 2019. The closing date for submissions was 27 November 2019. We received and considered 10 submissions from interested groups and individuals. We heard oral evidence from 4 submitters in Wellington.

We received advice from the Department of Internal Affairs.

### Committee membership

Gareth Hughes (Chairperson)

Darroch Ball

Anahila Kanongata'a-Suisuiki

Agnes Loheni

Hon Alfred Ngaro

Maureen Pugh

Priyanca Radhakrishnan

Hon Louise Upston

Angie Warren-Clark



**Key to symbols used in reprinted bill**

**As reported from a select committee**

text inserted unanimously

~~text deleted unanimously~~



*Hon Nanaia Mahuta*

## **Rates Rebate (Statutory Declarations) Amendment Bill**

Government Bill

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**The Parliament of New Zealand enacts as follows:**

### **1 Title**

This Act is the Rates Rebate (Statutory Declarations) Amendment Act **2019**.

**2 Commencement**

This Act comes into force on **1 April–July 2020**.

**3 Principal Act**

This Act amends the Rates Rebate Act 1973 (the **principal Act**).

**Part 1**

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**Substantive amendments****4 Section 5 amended (Applications to territorial authority for rates rebate)**

In section 5(3),—

(a) replace “provided” with “approved”; and

(b) replace “by the declaration of” with “in writing by”.

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**5 Section 6 amended (Applications for refunds of rates paid)**

(1) In section 6(2)(a), replace “provided” with “approved”.

(2) In section 6(2)(b), replace “by the declaration of” with “in writing by”.

**6 Section 7 amended (Refund to owner of owner-occupier flat of contribution towards rates)**

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(1) In section 7(2)(a), replace “provided” with “approved”.

(2) In section 7(2)(b), replace “by the declaration of” with “in writing by”.

**7 Section 7A amended (Refund to resident of retirement village of contribution towards rates)**

(1) In section 7A(4)(a), replace “provided” with “approved”.

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(2) In section 7A(4)(b), replace “by the declaration of” with “in writing by”.

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

In section 9(1), replace “provided” with “approved”.

**Part 2****Related amendments**

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**9 Section 13 replaced (Declarations)**

Replace section 13 with:

**13 Form of verification**

An application that is required to be verified in writing for the purposes of this Act must be verified in a manner and form approved by the Secretary for Local Government.

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**10 Section 14 amended (Offences)**

In section 14(1)(a), replace “declaration” with “verification”.

**Legislative history**

17 September 2019

24 September 2019

Introduction (Bill 178–1)

First reading and referral to Social Services and Community  
Committee