

Report No:	RCN11-06-16
File No:	R109
Date:	16 June 2011
Decision Required	

REPORT SUMMARY

Report to: Tasman District Council
Meeting Date: 29 June 2011
Report Author: Murray Staite, Corporate Services Manager
Subject: **Rates Setting 2011/2012**

EXECUTIVE SUMMARY

Council is required to pass a resolution on an annual basis to set the rates for the forthcoming rating year.

The Local Government (Rating) Act 2002 sets out the methods by which local authorities can rate and details criteria around the use of those rates.

The rating policy of Tasman District Council is that where it is practical, identifiable beneficiaries of Council activities pay for the costs by targeted rates, direct charges or fees. The balance of Council activities are funded through the general rate which is levied on a mix of rates charged on a capital value basis, together with a Uniform Annual General Charge.

The rates in this report are GST exclusive, GST will be applied at the prevailing rate.

RECOMMENDATION/S

That the draft resolution setting the rates for 2011/2012 be adopted.

DRAFT RESOLUTION

Refer to Section 7

Report No:	RCN11-06-16
File No:	R109
Report Date:	16 June 2011
Decision Required	

Report to: Tasman District Council
Meeting Date: 29 June 2011
Report Author: Murray Staite, Corporate Services Manager
Subject: **Rates Setting 2011/2012**

1. Purpose

- 1.1 To set the rates for the 2011/2012 rating year.

2. Background

- 2.1 Council is required to pass a resolution on an annual basis to set the rates for the forthcoming rating year.

3. Present Situation/Matters to be Considered

- 3.1 The Local Government (Rating) Act 2002 sets out the methods by which local authorities can rate.
- 3.2 The draft resolution, which has been prepared in accordance with the requirements of the Local Government Act 2002, includes those revenue and funding mechanisms used, explanatory information supporting the use of those identified rates.
- 3.3 The rating policy of Tasman District Council is that where it is practical, identifiable beneficiaries of Council activities pay for the costs by targeted rates, direct charges or fees. The balance of Council activities are funded through the general rate which is charged on a capital value basis, together with a Uniform Annual General Charge.
- 3.4 It is important to note that the total rates for each property are a combination of general rate and the targeted rates relevant to each property. Also, different properties can receive different services, so the targeted rates that apply to properties across the District will vary.

- 3.5 The following rates are being discontinued from the 2011/2012 year in line with the expiry of their respective loans:

Pohara Wastewater Scheme – capital charge
St Arnaud Wastewater Scheme – capital charge
Port Motueka Wastewater Scheme – capital charge
Fireblight Control – Waimea

- 3.6 The draft resolution has been reviewed by Council’s legal advisors for compliance with the Local Government (Rating) Act 2002.

4. Financial/Budgetary Considerations

- 4.1 The total value of rates being collected for the 2011/2012 financial year is \$56.4 million dollars.

5. Significance

- 5.1 The adoption of the attached resolution is considered significant in that it affects the rates of all ratepayers in the district.
- 5.2 Council has complied with the relevant provisions of the Local Government Act 2002 in relation to significant matters.

6. Recommendation/s

- 6.1 That the draft resolution setting the rates for 2011/2012 be adopted.

7. Draft Resolution

THAT the Tasman District Council:

- a) **Receives report RCN11-06-16 Rates Setting 2011/2012;**
- b) **sets the following rates under the Local Government (Rating) Act 2002 for the financial year commencing on 1 July 2011 and ending on 30 June 2012.**
- c) **resolves the dates for payment of rates instalments in 2011/2012 are the dates set out under the heading “Assessment and Invoicing”**
- d) **authorises penalties to be added to rates that are not paid by the due date, as set out under the heading “Penalties”.**

Rating Area Maps

The rating areas are those more particularly defined in the 2009 – 2019 Long Term Council Community Plan.

Each of the targeted rates has a unique rating area within which rating units are levied prescribed annual charges. Copies of rating maps for each unique area are available for inspection at Council offices.

GST

The rates values expressed herein are GST exclusive; GST will be applied at the prevailing rate.

General Rate

Council sets a general rate based on the capital value of each rating unit in the District. This rate is set at different rates in the dollar of capital value. The categories of property and the rates (in cents per dollar of capital value) for 2011/2012 are:

Category	2010/2011 cents	2011/2012 cents
Infrastructural Utilities	0.0000	0.0000
Land which is not an Infrastructural Utility	0.1951	0.2060

The component of the General Rate which relates to the replenishment of Council's General Disaster Fund (in cents per dollar capital value) for 2011/2012 is 0.0045.

Uniform Annual General Charge

Council sets a Uniform Annual General Charge on each rating unit in the Tasman District. The rate (in dollars per rating unit) for 2011/2012 is \$251.11 (2010/2011\$231.11).

Targeted Rates

1 Stormwater Rates

Council sets a targeted rate for the purposes of stormwater works. This rate will be based on the capital value of each rating unit. The categories of property and the rates (in cents per dollar of capital value) for the 2011/2012 year are:

Category	2010/2011 cents	2011/2012 cents
Richmond/Hope Urban Drainage Area	0.0380	0.0410
Motueka Urban Drainage Area	0.0380	0.0410
Mapua/Ruby Bay Urban Drainage Area	0.0380	0.0410
Brightwater Urban Drainage Area	0.0380	0.0410
Wakefield Urban Drainage Area	0.0380	0.0410
Takaka Urban Drainage Area	0.0380	0.0410

Murchison Urban Drainage Area	0.0380	0.0410
Collingwood Urban Drainage Area	0.0380	0.0410
Kaiteriteri Urban Drainage Area	0.0380	0.0410
St Arnaud Urban Drainage Area	0.0380	0.0410
Tapawera Urban Drainage Area	0.0380	0.0410
Tasman Urban Drainage Area	0.0380	0.0410
Patons Rock Urban Drainage Area	0.0380	0.0410
Ligar Bay Urban Drainage Area	0.0380	0.0410
Tata Beach Urban Drainage Area	0.0380	0.0410
Pohara Urban Drainage Area	0.0380	0.0410
Balance of the Tasman District not in above areas	0.0038	0.0041

2 Water Supply Rates

2.1 Water Supply – Metered Connections

Council sets a targeted rate for the supply of water. This rate will be based on the volume of water supplied to all rating units with a metered connection except for the Nelson Pine Industries Limited site. The rate will be based on the provision of a service by the Council and where the land is situated. The categories of rateable land and the rates (per cubic metre supplied) for 2011/2012 is:

Category	2010/2011 \$	2011/2012 \$
All rating units with metered connections, excluding the Nelson Pine Industries site.	\$1.28	\$1.50

In addition, Council sets a targeted rate for the supply of water calculated as a fixed daily amount per rating unit. The rate will be based on where the land is situated and the provision of service by the Council and will be set in relation to all rating units with a metered connection excluding those in the Motueka Township and the Nelson Pine Industries Limited site. The rate for 2011/2012 is 51.89 cents per day (2010/2011 44.99 cents).

2.2 Water Supply – Rural Connections

Council sets a targeted rate for the supply of water. This rate will be based on the quantity of water supplied and will be set differentially based on the provision of service. The categories and proposed rates (in dollars per unit of water supplied) for 2011/2012 are:

Category	2010/2011 \$	2011/2012 \$
Dovedale/Neudorf Rural Water Supply Area:		
First unit supplied	519.61	528.30
Second and subsequent unit	363.54	407.29
Redwood Valley Rural Water Supply Area	332.85	380.26
Eighty-Eight Valley Rural Water Supply Area	48.09	65.00
Low flow restricted supply connections	293.40	299.26

Council sets a targeted rate for the supply of water to the Eighty-Eight Valley Rural Water Supply Area. The rate will be set in relation to all land to which the Eighty-Eight Valley Water Supply is provided. The rate (in dollars per rating unit) for 2011/2012 is \$75.00 (2010/2011 \$55.48).

Council sets a targeted rate for the supply of water to all rating units with connection to the Hamama Rural Water Supply. This rate will be set in relation to all land to which the Hamama Rural Water Supply is provided. This rate is set to meet the operational costs. The rate for 2011/2012 is 0.0339 cents per dollar of land value (2010/2011 0.0264 cents).

Council sets a targeted rate for the supply of water to all rating units with a connection to the Hamama Rural Water Supply. This rate will be set in relation to all land to which the Hamama Rural Water Supply is provided. This rate is set to meet the capital costs of recent scheme enhancements. The rate (in dollars per rating unit) for 2011/2012 is \$141.49 (2010/2011 \$138.72).

2.3 Water Supply – Maintenance and Capital Charge

Council sets a targeted rate for the purpose of meeting capital and/or maintenance expenditure on water supply works. This rate will be set differentially based on where the land is situated. The categories and rates (in dollars per rating unit) for 2011/2012 are:

Category	2010/2011 \$	2011/2012 \$
Motueka Urban Water Supply Area	65.66	66.97

2.4 Water Supply – Capital Charges

Council sets a targeted rate under Section 16 of the Local Government (Rating) Act 2002 for the purpose of meeting loan repayments for the capital cost of the Kaiteriteri-Stephens Bay Water Supply Scheme. This rate is set in relation to land situated within the Kaiteriteri-Stephens Bay Water Supply Area where the rating unit has not elected to make a lump sum contribution to the capital cost of the scheme. The rate (in dollars per separately used or inhabited part) for 2011/2012 is \$109.33 (2010/2011 \$109.33).

A targeted rate is set for the purpose of meeting loan repayments for the capital cost of the Collingwood Water Supply Scheme. This rate is set in relation to land situated within the Collingwood Water Supply Area where the rating unit has not elected to make a lump sum contribution to the capital cost of the scheme. The rate (in dollars per rating unit) for 2011/2012 is \$350.22 (2010/2011 \$350.22).

3 Wastewater Rates

3.1 Wastewater – Operation and Maintenance Charges

Council sets a targeted rate for the purpose of meeting the operating costs of the general wastewater account. This charge is based on the number of water closets or urinals connected either directly or through a private drain, to a public wastewater drain. In respect of rating units used primarily as a residence for one household, no more than one water closet will be liable for this charge. The rates (in dollars per water closet or urinal) for 2011/2012 are:

Category	2010/2011 \$	2011/2012 \$
First water closet or urinal	552.15	550.92
Second to tenth water closet or urinal	414.13	413.11
Eleventh and subsequent water closet or urinal	276.08	275.40

3.2 Wastewater – Capital Charges

Council had set a targeted rate for the purpose of meeting loan repayments for the capital costs of the wastewater scheme listed below. Council will discontinue this rate from 2011/2012:

Category	2010/2011 \$	2011/2012 \$
Port Motueka Urban Drainage Area	68.44	0.00

Council had set a targeted rate for the purpose of meeting loan repayments for the capital costs of the Pohara Wastewater Scheme. Council will discontinue this rate from 2011/2012.

Council sets a targeted rate for the purpose of meeting loan repayments for the capital costs of the Pohara Stage Three Wastewater Schemes. This rate will be based on the provision or availability of service and where the land is situated. The rate will be set in relation to each rating unit in the Pohara Urban Drainage Area which has not elected to make a lump sum contribution to the capital cost of the scheme. The rates (in dollars per rating unit) for 2011/2012 are:

Category	2010/2011 \$	2011/2012 \$
Connected Rating Units		
Pohara	98.67	0.00
Pohara Stage Three	222.22	222.22
Serviceable Rating Units		
Pohara	98.67	0.00
Pohara Stage Three	111.11	111.11

Council had set a targeted rate for the purpose of meeting loan repayments for the capital costs of the Pohara Wastewater Scheme, where the rating unit is non-residential and connected a charge is made for the second and subsequent water closets or urinals. Council will discontinue this rate from 2011/2012.

Council sets a targeted rate for the purpose of meeting loan repayments for the capital costs of the and Pohara Stage Three Wastewater Schemes. This rate will be based on the provision or availability of service and the use to which the land is put. The rate will be set in relation to each rating unit in the Pohara Urban Drainage Area which has not elected to

make a lump sum contribution to the capital cost of the scheme. Where the rating unit is non-residential and connected a charge is made for the second and subsequent water

closets or urinals. Residential rating units with more than one separately used or inhabited part are charged for the second and subsequent water closets or urinals but not for more than one water closet per part. The rates (in dollars per water closet or urinal) for 2011/2012 are:

Category	2010/2011 \$	2011/2012 \$
Non-residential Connected Rating Units (for second and subsequent W/Cs or urinals)		
Pohara	65.78	0.00
Pohara Stage Three	74.09	74.09
Residential Connected Rating Units with more than one separately used or inhabited part (for second and subsequent W/Cs or urinals)		
Pohara	65.78	0.00
Pohara Stage Three	74.09	74.09

Council had set a targeted rate for the purpose of meeting loan repayments for the capital costs of the St Arnaud Wastewater Scheme. Council will discontinue this rate from 2011/2012, (2010/2011 \$177.78).

4 Regional River Works Rates

Council sets a targeted rate for river works. This rate will be based on the land value of each rating unit and will be differentially based on where the land is situated. The categories of land and the rates (in cents per dollar of land value) for 2011/2012 are:

Category	2010/2011 \$	2011/2012 \$
Classification X	0.0943	0.1123
Classification Y	0.0943	0.1123
Classification Z	0.0198	0.0237

5 Business Rates

5.1 Motueka Business Rate

Council sets a targeted rate for the purpose of promotion of the Motueka business area. This rate is based on the capital value of each rating unit and will be set in relation to where the land is situated being the Motueka Business Rating Areas A and B. The rate (in cents per dollar of capital value) for 2011/2012 is Area A 0.0394 cents (2010/2011 0.0394 cents), and Area B 0.0351 cents (2010/2011 0.0351 cents).

5.2 Richmond Business Rate

Council sets a targeted rate for the purpose of promotion of the Richmond business area. This rate is based on the capital value of each rating unit and will be set in relation to where the land is situated being the Richmond Business Rating Area. The rate (in cents per dollar of capital value) for 2011/2012 is 0.0422 cents (2010/2011 0.0405cents).

6 Ruby Bay Stop Bank Rate

Council sets a targeted rate for the purpose of meeting loan repayments for the capital costs of the Ruby Bay Stop Bank. This rate is based on where the land is situated and will be set on each rating unit in the Ruby Bay Stop Bank Rating Area which has not elected to make a lump sum contribution to the capital cost of the scheme. The rate (in dollars per rating unit) for 2011/2012 is \$932.44 (2010/2011 \$932.44).

7 Mapua Stop Bank Rate

Council sets a targeted rate for the purpose of meeting loan repayments for the capital costs of the Mapua Stop Bank. This rate is based on where the land is situated and will be set on each rating unit in the Mapua Stop Bank Rating Area which has not elected to make a lump sum contribution to the capital cost of the scheme. The rate (in dollars per rating unit) for 2011/2012 is \$94.62 (2010/2011 \$94.62).

8 District Facilities Rate

Council sets a targeted rate for the purpose of meeting part of the costs of capital funding for new, large, community, recreational, sporting or cultural district or regional projects which have met defined criteria, and will provide benefit to the residents of Tasman District. This rate is set in relation to all rateable units within the Tasman District. The rate (in dollars per rating unit) for 2011/2012 is \$42.90 (2010/2011 \$36.58).

9 Motueka Stop Bank Rate

Council sets a targeted rate for the purpose of meeting loan repayments for the capital costs of the Motueka Stop Bank. This rate is based on where the land is situated and will be set on each rating unit in the Motueka Stop Bank Rating Area, being the Motueka Stop Bank Rating Areas A and B. The rate (in cents per dollar of land value) for Area A for 2011/2012 is 0.0084 cents (2010/2011 0.0057 cents). The rate (in cents per dollar of land value) for Area B for 2011/2012 is 0.0016 cents (2010/2011 0.0010 cents).

10 Shared Facilities Rate

Council sets a targeted rate for the purpose of meeting part of the costs of capital funding for new, large, community, recreational, sporting or cultural district or regional projects which have met defined criteria, and will provide benefit to the residents of Tasman District and Nelson City. This rate is set in relation to all rateable units within the Tasman District. The rate (in dollars per rating unit) for 2011/2012 is \$47.80 (2010/2011 \$45.60).

11 Facilities Operations Rate

Council sets a targeted rate for the purpose of meeting the operating costs of various community facilities within the District. This rate is set in relation to all rateable units within the Tasman District, excluding the Golden Bay Ward. The rate (in dollars per rating unit) for 2011/2012 is \$27.65 (2010/2011 \$25.44).

12 Museums Facilities Rate

Council sets a targeted rate for the purpose of meeting part of the costs of capital funding for the Regional Museum and for the annual operation of the Regional Museum and Council's District museums. This rate is set in relation to all rateable units within the Tasman District. The rate (in dollars per rating unit) for 2011/2012 is \$48.75 (2010/2011 \$47.30).

- 13 **Wai-iti Valley Community Dam Rate**
Council sets a targeted rate for the purpose of funding the costs of the Wai-iti Valley Community Dam. This rate is based on where the land is situated and the provision of service provided and will be set in relation to the number of hectares as authorised on all water permits granted under the Resource Management Act 1991. The rate (in dollars per hectares) for 2011/2012 is \$291.70 (2010/2011 \$280.00).
- 14 **Fireblight Control Rate – Waimea**
Council had set a targeted rate for the purpose of funding the cost of the removal of hawthorn in the Waimea area. This rate is based on the planted horticultural hectares within the defined rating boundary at 31 January 2006. Council will discontinue this rate from 2011/2012 (2010/2011 \$46.67).
- 15 **Takaka Fire Fighting Water Supply Rate – Capital**
Council sets a targeted rate for the purpose of funding loan repayment costs of constructing a reticulated fire fighting water supply within the Takaka CBD. This rate is based on where the land is situated and will be set on each rating unit in the Takaka Fire Fighting Rating Area. The rate for the Commercial CBD (in cents per dollar of capital value) for 2011/2012 is 0.0880 cents (2010/2011 0.0867 cents). The rate (in dollars per rating unit) for 2011/2012 is \$45.33 for Takaka Residential, (2010/2011 \$45.33), and \$13.33 (in dollars per rating unit) for the remainder of the Golden Bay Ward (2010/2011 \$13.33).
- 16 **Takaka Fire Fighting Water Supply Rate – Operating**
Council sets a targeted rate for the purpose of funding the maintenance costs of the reticulated fire fighting water supply within the Takaka CBD and residential area. This rate is based on where the land is situated and will be set on each rating unit in the Takaka Fire Fighting Rating Area. The rate (in dollars per rating unit) for 2011/2012 is \$40.00 (2010/2011 \$40.00).
- 17 **Refuse/Recycling Rate**
Council sets a targeted rate for the purpose of funding kerbside recycling, rubbish bag collection and other waste related activities. This rate is based on where the land is situated and will be set on each rating unit in the Refuse/Recycling Rating Area. The rate (in dollars per rating unit) for 2011/2012 is \$111.07 (2010/2011 \$102.22).
- 18 **Hamama Road Sealing Rate**
Council sets a targeted rate for the purpose of funding loan repayment costs for the sealing of Hamama Road. This rate is based on where the land is situated and will be set on each rating unit in the Hamama Road Sealing Rating Area which has not elected to make a payment in advance to the capital cost of the scheme. The rate (in dollars per rating unit) for 2011/2012 is \$573.33 (2010/2011 \$573.33).
- 19 **Mapua Rehabilitation Rate**
Council sets a rate for the purpose of meeting costs in respect of the Mapua Rehabilitation project. The rate (in dollars per rating unit) for 2011/2012 is \$10.67 (2010/2011 \$10.67).
- 20 **Kaiteriteri Refuse Rate**
Council sets a targeted rate for the purpose of meeting costs in respect of the additional summer refuse collection service provided to the Kaiteriteri area. This rate is based on where the land is situated and is set on each rating unit in the Kaiteriteri Refuse Rating Area. The rate (in dollars per rating unit) for 2011/2012 is \$16.10 (2010/2011 \$16.10).

21 Waimea Water Augmentation

(Lee Valley Dam) Rate

Council sets a targeted rate for the purpose of meeting costs in respect of the Waimea Water feasibility study. This rate is based on where the land is situated and is set on each rating unit in the Waimea Water Augmentation Rating Area. The rate (in dollars per rating unit) for 2011/2012 is \$22.22 (2010/2011 \$22.22).

22 Torrent Bay Replenishment Rate

Council sets a targeted rate for the purpose of meeting the costs of reinstating and maintaining the beach at Torrent Bay. This rate is based on where the land is situated and will be set on each rating unit in the Torrent Bay Replenishment Rating Area, being the Torrent Bay Replenishment Rating Areas A and B. The rate (in dollars per rating unit) for Area A for 2011/2012 is \$1,333.33 (2010/2011 \$1,333.33). The rate (in dollars per rating unit) for Area B for 2011/2012 is \$400.00 (2010/2011 \$400.00).

23 Tourism Rate

Tourism rate A

The Council sets a targeted rate for partly funding the Council's contribution to the cost of destination marketing by Tourism Nelson Tasman Limited. The targeted rate is set in relation all rateable land falling within one or more of the following categories:

- (a) All rateable land within Tasman District where all or part of the land is premises registered under the Health (Registration of Premises) Regulations 1966 or premises exempt from compliance with the Food Hygiene Regulations 1974 by virtue of an exemption granted under Part 1A Food Act 1986.
 - (b) All rateable land within Tasman District where all or part of the land is premises on which liquor may be sold pursuant to a licence under the Sale of Liquor Act 1989.
 - (c) All rateable land within Tasman District listed in the Council's Rating Information Database as having a Quotable Value Property Category Code of CS or IS and on which petrol is sold.
 - (d) All rateable land within Tasman District used in connection with a commercial public transport system registered under the Public Transport Management Act 2008.
 - (e) All rateable land within Tasman District used in connection with a tourism activity identified on the Tourism Nelson Tasman Limited Advertisers Database.
 - (f) All rateable land within Tasman District listed in the Council's Rating Information Database as having a Quotable Value Property Use Code of 5, 51, 52, 53, 54, 55, 71, 81, 82 or 83 and a QV Property Category Code of CR, CL, CT or CS, and sell goods to the public.
- The rate (in dollars per separately used part) for 2011/2012 is \$100.00 (2010/2011 \$125.78).

Tourism rate B

The Council sets a targeted rate for partly funding the Council's contribution to the cost of destination marketing by Tourism Nelson Tasman Limited. The targeted rate is set in relation to all rateable land within Tasman District listed in the Council's Rating Information Database as having one or more of the following Quotable Value Improvement Nature Codes ACCOM, CABIN, BACH, MOTEL, HOTEL, LODGE, or BPK ACCOM and either:

- (a) One of the following Quotable Value Property Category Codes LI, RD, RF, RH, RR, CT or CA;
or
- (b) One of the following Quotable Value Property Use Codes 9, 90, 91, 92, 93, 94, 95, 96 or 97; and are used or are available for accommodation for less than 90 days, at any one time, for which a fee or charge is payable. The rate (in dollars per rating unit) for 2011/2012 is \$100.00 (2010/2011 \$125.78).

24 Motueka Community Board Rate

Council sets a targeted rate for the purpose of funding the costs of the Motueka Community Board and to fund specific projects that the Board wishes to undertake in the Motueka Ward. This rate is based on where the land is situated and is set on each rating unit in the Motueka Community Board Rating Area. The rate (in dollars per rating unit) for 2011/2012 is \$12.57 (2010/2011 \$9.73).

25 Golden Bay Community Board Rate

Council sets a targeted rate for the purpose of funding the costs of the Golden Bay Community Board. This rate is based on where the land is situated and is set on each rating unit in the Golden Bay Community Board Rating Area. The rate (in dollars per rating unit) for 2011/2012 is \$14.51 (2010/2011 \$15.04).

26 Tasman Warm Home Voluntary Rate

Council sets a voluntary targeted rate for the purpose of funding the costs of the of Tasman Clean Heat Warm Home scheme. The rate is set in relation to all rateable units in the Tasman District, which opt into the scheme. The rate will commence in year 2 of the grant being approved. The rate (in cents per dollar of the combined costs of the grant and administration fee) for 2011/2012 is \$0.1382 (2010/2011 \$0.1382).

Definitions

1 Infrastructural Utility

The Infrastructural Utility category includes rating units identified by the following valuation roll numbers:

9995100100	9995100200	9995100300	9995100400
9995100500	9995100900	9995101000	9995101400
9995101500			

2 Nelson Pine Industries Limited

The Nelson Pine Industries site is the land described in Computer Freehold Register Identifiers NL 12C/378, NL 12C/375, and NL 12C/376.

3 Unit

A unit of water on the Dovedale and Redwood Valley Rural Water Supply Schemes, and the Urban Extension Schemes at Hope, Richmond, Collingwood, Wakefield, Brightwater, and Best Island is the equivalent of 2,000 litres of water a day. A unit of water on the Eighty-Eight Valley Rural Water Supply and the Mapua/Ruby Bay Urban Extension is the equivalent of 1,000 litres of water per day.

4 Separately Used or Inhabited Parts of a Rating Unit

Where targeted rates are calculated on each separately used or inhabited part of a rating unit the following definition will apply:

Any portion of a rating unit used or inhabited by any person, other than the ratepayer or member of the ratepayer's household, having a right to use or inhabit that portion by virtue of a tenancy, lease, licence or other agreement.

Assessment and Invoicing

Rates assessment will be rounded down to the nearest ten cents where applicable, will be inclusive of Goods and Services Tax and are due and payable to the Tasman District Council at the Council Offices in four instalments.

Council invoices rates quarterly, with final dates for payment of each instalment being 31 August, 30 November, 28 February and 31 May. The 2011/2012 rates instalments become payable on the following days:

Instalment 1	Instalment 2	Instalment 3	Instalment 4
1 August 2011	1 November 2011	1 February 2012	1 May 2012

Metered water rates are invoiced separately from other rates. Invoices for domestic users are issued six monthly and invoices for industrial users are issued monthly. All invoices are due for payment on the 20th of the month following the month in which the invoice is issued.

Penalties

Under Section 57 and 58 of the Local Government (Rating) Act 2002 Council prescribes the following additional charge of ten percent (10%) of the amount of rate instalments remaining unpaid to be added on the following dates:

Instalment 1	Instalment 2	Instalment 3	Instalment 4
1 September 2011	1 December 2011	1 March 2012	1 June 2012

A further additional charge of five per cent (5%) will be added to rates that remain unpaid from previous years as at the date five working days after the date on which Council passes a resolution authorising penalties, and the additional charge will be added at six monthly intervals thereafter.

As an alternative to payment by the above four instalments, the total annual rates on any property may be paid in one lump sum by 30 November 2011 and any first instalment penalty already incurred is to be remitted. If not paid by 30 November 2011, the penalties relating to the four instalments as above will apply.

A penalty of ten percent (10%) will be added to the amount of metered domestic water rates remaining unpaid on the day after the final date for payment as shown on the metered water invoice.

The above penalties will not be charged on a rating unit where Council has agreed to a programme for payment of rate arrears.

Uneconomic Balances

Council will not collect total annual rates (not including metered water rates) of \$10.00 or less as provided for under Section 54 of the Local Government (Rating) Act 2002.

Early Payment of Rates

Section 55 of the Local Government (Rating) Act 2002 empowers Council to accept early payment of rates. Council will allow a discount of two percent (2%) of the total year's rates if payment of same is received on or before 31 August 2011.

The rates revenue sought from the uniform annual general charge and targeted rates set on a uniform basis is 20.27 percent of the total revenue from all rates sought by Council in accordance with Section 21 of the Local Government (Rating) Act 2002.