



## NEW ZEALAND – August 2022

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### **AUCKLAND COUNCIL WADES THROUGH THOUSANDS OF COMPLAINTS OVER PROPERTY VALUATIONS**

*More than 7000 Auckland ratepayers objected to this year's property valuations by the cut-off date of April 22, with the majority of complaints that valuations were too low.*

It will take until the end of the year for Auckland Council staff to get through more than 7000 complaints received over property revaluations sent to homeowners earlier this year.

On March 8, Auckland Council released 591,389 valuations for properties across the region. The updated valuations are based on the likely sale price for a property at June 1, 2021 and are used to determine a property's rates bill for the current rating year from July 1, 2022.

Owners dissatisfied with the revaluation had until 5pm on April 22 to lodge an objection.

Auckland Council valuations manager Chloe Woollard said the council received 7100 objections by the cut-off date, with a number of late objections still being considered. 460 objections had been settled by August 4. By suburb, the most complaints came from Auckland Central followed by Remuera.

Woollard said 3913 objectors claimed their valuation was too low, approximately 3178 claimed their valuation was too high, and around 130 thought the valuation was correct but the split between land value and improvement value was incorrect.

Stuff is aware of one homeowner disputing his property's valuation because it includes a garage on the property when in fact there is no garage.

Woollard said while not common, there can be issues with the data.

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“If a customer believes there is a data error on their property, such as the inclusion of a garage when it doesn’t exist, they should advise us and we will review the data and valuation entirely.

“We update our district valuation roll between revaluations with any consented works or subdivisions completed. If the customer has already raised an objection to the revaluation we will revise this as part of the process,” Woollard said.

Auckland Council’s website states the objection process can result in a property valuation going up, dropping, or remaining the same, and it may result in a rates change.

If an objector is still dissatisfied once Auckland Council has made its decision on their complaint, they can lodge an objection with the Land Valuation Tribunal. But that comes at the cost of a \$50 filing fee and a \$900 District Court scheduling and hearing fee.

Following the 2017 revaluation round, the Auckland Land Valuation Tribunal received 160 objections. So far no objections have been filed with the tribunal from this year’s assessments.

Considering disputing your property revaluation?

The deadline has passed to lodge a complaint about a revaluation by Auckland Council, although Woollard said late objections are accepted in special circumstances such as an objector being outside of New Zealand during the entire objection period.

To raise an issue about data included on a property valuation, such as a garage that does not exist, a property owner can make an online objection to council’s Rating Information Database which is separate from a revaluation objection.

## **DRAMATIC RATES INCREASES START LANDING IN AUCKLANDERS' INBOXES**

Homeowners have received some confronting emails from Auckland Council this week as invoices for dramatically increased rates begin to land in inboxes.

One pensioner the Herald spoke to had his rates increase nearly \$500 per quarter compared to this time last year.

There are two factors behind this year's rates increases.

The overall rates increase is 5.6 per cent, including a new targeted rate for climate action.

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However, the average household rates increase is 6.4 per cent due to a plan to gradually reduce business rates and gradually increase household rates over time.

The second reason is last year's revaluation of properties.

Invoices seen by the Herald show one Auckland man's rates for his Panmure/Mt Wellington home have increased substantially.

The man's rates for the July 2021-June 2022 period were \$879.01 per quarter when his property had a capital value of \$1.2 million.

The latest invoice, which he received today, values his property at \$2.5 million and has billed him \$1325.72 per quarter.

"I was just shocked. It's now costing me \$100 a week for rates, plus water rates on top of that," he said.

The 72-year-old said if he was not receiving an income in addition to his superannuation, he would be struggling.

"I have a little bit of other income but nothing major. If I was purely reliant on my national superannuation, that would be a quarter of my income just gone on Auckland city rates," he said.

Another invoice the Herald saw shows a Sandringham resident's rates have increased by \$167 per quarter.

For the July 2021-June 2022 billing period, the resident's property had a capital value of \$1.1m and they were charged \$830 per quarter.

Their latest invoice, for the July 2022-June 2023 period, values the property at \$1.8m and charges \$997.13 per quarter.

Under the new house valuation exercise, householders whose homes have risen by more than the average will have a rates increase above the 6.4 per cent figure. The opposite is true with a value change below average.

Auckland Council manager, financial policy, Andrew Duncan said changes in rates for the 2022/2023 financial year were first consulted on in February this year.

They were publicly confirmed at the end of June, as part of the council's Annual Budget 2022/2023 consultation.

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"The general rates increase was kept at 3.5 per cent, previously agreed in the 10-year Budget 2021-2031, which was publicly consulted on in February 2021," Duncan said.

The first rates instalment is due on August 31.

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