

Market Announcement



3 December 2025

Government announcement on rates increase targets

On 1 December 2025 the New Zealand Government announced its decision to introduce a rates target model that will see local councils, including Auckland Council, required to operate within a proposed target annual rates increase range of 2 to 4 per cent from 1 July 2029. The model will allow for exemptions in extreme circumstances. Government guidance and monitoring will also apply over a transition period.

A letter from the Minister of Local Government setting out this decision and the process for consultation with councils is **attached**. Auckland Council is currently working with the government to understand the implications of the decision and how this might be applied to Auckland.

In 2024/2025, rates revenue comprised 34.8 percent of the \$8 billion total revenue for the Auckland Council group. Auckland Council's current Long-term Plan 2024-2034 includes planned rates increases of 3.5 per cent per annum for the average value residential property from 1 July 2027, which is within the proposed target range.

ENDS

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