



ANALYSIS

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| <p>Title</p> <p>1. Short Title</p> <p>2. Application of proceeds of sale</p> | <p>3. Community trusts</p> <p>4. Matters to be included in trust deed</p> <p>5. Trust deed not to be inconsistent with provisions of this Act</p> |
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1995, No. 25

An Act to amend the Local Government Act 1974 [10 April 1995]

BE IT ENACTED by the Parliament of New Zealand as follows:

1. Short Title—This Act may be cited as the Local Government Amendment Act 1995, and shall be read together with and deemed part of the Local Government Act 1974 (hereinafter referred to as the principal Act).

2. Application of proceeds of sale—Section 225c of the principal Act (as inserted by section 28 of the Local Government Amendment Act 1992) is amended by inserting, after the words “may apply any proceeds of the sale”, the words “(including any income derived from or capital gain arising on these proceeds)”.

3. Community trusts—Section 225D of the principal Act (as inserted by section 28 of the Local Government Amendment Act 1992) is amended by repealing subsection (2), and substituting the following subsections:

“(2) The constituting local authority shall prepare a trust deed for that trust in accordance with section 225k of this Act, and shall submit the trust deed to the Minister.

“(2A) A community trust shall be established under this section when, after consultation with the Minister of Revenue, the Minister agrees in writing that the general activities to be

undertaken by the community trust, as specified in the trust deed, are not inconsistent with the purposes of the trust or with this Act.”

4. Matters to be included in trust deed—Section 225K of the principal Act (as inserted by section 28 of the Local Government Amendment Act 1993) is amended by inserting, after paragraph (a), the following paragraphs:

“(aa) Specifying the purposes of the community trust as set out in section 225E of this Act:

“(ab) Specifying the general activities to be undertaken by the community trust:”.

5. Trust deed not to be inconsistent with provisions of this Act—Section 225L of the principal Act (as inserted by section 28 of the Local Government Amendment Act 1993) is amended by inserting, after subsection (1), the following subsection:

“(1A) No variation of the trust deed of a community trust may be executed to amend the general activities to be undertaken by the trust unless—

“(a) The trustees have submitted the proposed variation to the Minister; and

“(b) After consultation with the Minister of Revenue, the Minister agrees in writing that any proposed amendments to the general activities to be undertaken by the community trust are not inconsistent with the purposes of this trust or with this Act.”

This Act is administered in the Department of Internal Affairs.
