

Legislative changes affecting incorporations

Effective from Waitangi Day, 6 February 2021

In August 2020, the Government passed targeted changes to Te Ture Whenua Māori Act 1993 to simplify the legal processes for owning, occupying and using Māori land.

These changes make it easier to set up a Māori incorporation, support good practices by incorporations, and provide landowners with greater transparency of decisions made by committee members.

Setting up an incorporation

Previously, landowners seeking to form an incorporation need to show that owners with not less than 15 percent of shares in the Māori land consented to the proposal.

Now, landowners seeking to form an incorporation need to show there is a sufficient degree of support for the proposal, and that sufficient notice of the proposal has been given.

Recording dividends

There is a new requirement on incorporations to record the details of dividends paid to shareholders.

The record will include the name of each shareholder who received a dividend, the amount paid to the shareholder and the date of each payment.

Register of interest and annual declaration

Māori incorporations must establish and maintain an interests register for the Māori land held by the incorporation.

The register will record, for each member of the management committee: details of member's interest in the Māori freehold land incorporated; the dealings in the interests by the member; and declarations made by members.

Committee members must make an annual declaration of their interests and dealings at the end of each financial year.

The register can be physical or electronic form and must be available to shareholders.