

23 November 2010

Media statement

REAA announces 2011 fees and levies

Real Estate Agents Authority Chair Kristy McDonald, QC, today announced the 2011 levies for real estate licensees is \$690 (excl. GST).

“The Authority consulted with licensees, consumers and other interested parties about the proposed levies of \$760 (excl. GST) for 2011 and we received over 4,700 submissions.

“Some licensees indicated that they are experiencing financial difficulties as a result of challenging economic conditions, the Canterbury earthquake and a downturn in property transactions.

“As a result of this feedback, and our commitment to keeping costs for the industry sustainably low, the Authority worked to reduce 2011 levies from the initially proposed \$760 (excl. GST) to \$690 (excl. GST).

“These levies reflect what it costs to perform our legislative functions and obligations including meeting our obligations to the Crown,” said Ms McDonald.

New fees are also being introduced in 2011. It will cost \$295 (excl. GST) to apply for a new licence and \$95 (excl. GST) to apply to suspend a licence. There will also be a \$95 (excl. GST) annual suspension fee, which will apply to anyone wishing to retain a suspended licence after the first year of suspension (and for every following year).

“By introducing fees that reflect the costs incurred by the Authority in performing these specific tasks, we have been able to further reduce levies for the majority of licensees who don’t get the benefit of those services,” said Ms McDonald.

The fees and levies come into effect on 1 January 2011 and will be gazetted in the 25 November 2010 edition of the New Zealand Gazette.

The Real Estate Agents Authority was launched in November last year, and is a Crown entity established by the Real Estate Agents Act 2008 to provide independent oversight of the real estate industry and increased consumer protection. The Authority is responsible for licensing agents, branch managers and salespersons, providing consumer information and the receiving of complaints relating to real estate services.