



**KwAZULU-NATAL PROVINCE**  
**KwAZULU-NATAL PROVINSIE**  
**ISIFUNDAZWE sAKwAZULU-NATALI**

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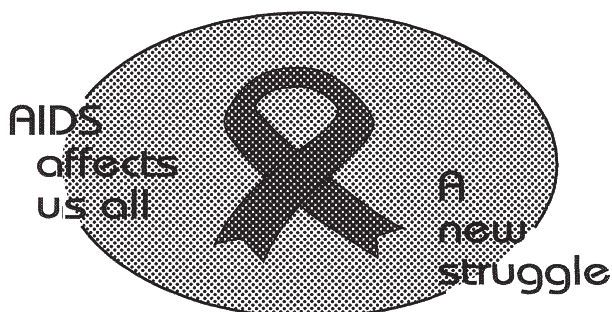
**PIETERMARITZBURG**

**Vol. 9**

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**No. 1473**

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# IMPORTANT

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**MUNICIPAL NOTICES • MUNISIPALE KENNISGEWINGS**

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**MUNICIPAL NOTICE 153 OF 2015****UMVOTI LOCAL MUNICIPALITY  
RATES BY LAWS**

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**UMVOTI MUNICIPAL PROPERTY RATES BY-LAW**

Notice No.2086

Date: **28/04/2015**

Umvoti Municipality, hereby, in terms of section 6 of the Local Government: Municipal Property Rates Act, 2004, has by way of **UMS 153 (24)** adopted the Municipality's Property Rates By-law set out hereunder.

**UMVOTI MUNICIPALITY****MUNICIPAL PROPERTY RATES BY-LAW****PREAMBLE**

WHEREAS section 229(1) of the Constitution requires a municipality to impose rates on property and surcharges on fees for the services provided by or on behalf of the municipality.

AND WHEREAS section 13 of the Municipal Systems Act read with section 162 of the Constitution require a municipality to promulgate municipal by-laws by publishing them in the gazette of the relevant province.

AND WHEREAS section 6 of the Local Government: Municipal Property Rates Act, 2004 requires a municipality to adopt by-laws to give effect to the implementation of its property rates policy; the by-laws may differentiate between the different categories of properties and different categories of owners of properties liable for the payment of rates;

## UMVOTI LOCAL MUNICIPALITY

## RATES BY LAWS

NOW THEREFORE BE IT ENACTED by the Council of the Umvoti Municipality, as follows:

**1. DEFINITIONS**

In this by-law, any word or expression to which a meaning has been assigned in the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004), shall bear the same meaning unless the context indicates otherwise.

**‘Municipality’** means Umvoti Municipality;

**‘Property Rates Act’** means the Local Government: Municipal Property Rates Act, 2004 (Act No 6 of 2004);

**‘Rates Policy’** means the policy on the levying of rates on rateable properties of the (name of municipality), contemplated in chapter 2 of the Municipal Property Rates Act.

**2. OBJECTS**

The object of this by-law is to give effect to the implementation of the Rates Policy as contemplated in section 6 of the Municipal Property Rates Act.

**3. ADOPTION AND IMPLEMENTATION OF RATES POLICY**

- 3.1. The Municipality shall adopt and implement its Rates Policy consistent with the Municipal Property Rates Act on the levying of rates on rateable property within the jurisdiction of the municipality; and
- 3.2. The Municipality shall not be entitled to levy rates other than in terms of its Rates Policy.

## UMVOTI LOCAL MUNICIPALITY

## RATES BY LAWS

**4. CONTENTS OF A RATE POLICY**

The Rates Policy shall, *inter alia*:

- 4.1. Apply to all rates levied by the Municipality pursuant to the adoption of its Annual Budget;
- 4.2. Comply with the requirements for:
  - 4.2.1. the adoption and contents of a rates policy specified in section 3 of the Act;
  - 4.2.2. the process of community participation specified in section 4 of the Act; and
  - 4.2.3. the annual review of a Rates Policy specified in section 5 of the Act.
- 4.3. Provide for principles, criteria and implementation measures that are consistent with the Municipal Property Rates Act for the levying of rates which the Council may adopt; and
- 4.4. Provide for enforcement mechanisms that are consistent with the Municipal Property Rates Act and the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000).

**5. ENFORCEMENT OF THE RATES POLICY**

The Municipality's Rates Policy shall be enforced through the Credit Control and Debt Collection Policy and any further enforcement mechanisms stipulated in the Act and the Municipality's Rates Policy.

**6. SHORT TITLE AND COMMENCEMENT**

This By-law is called the Municipal Property Rates By-law, and takes effect on the date of publication in the Provincial Gazette.

**MUNICIPAL NOTICE 154 OF 2015**



**UMVOTI LOCAL MUNICIPALITY**

**2015/16**

**RATES POLICY**

**DATE APPROVED: 28 MAY 2015**

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## **PREAMBLE**

Umvoti Municipality has resolved to implement the Municipal Property Rates Act, 6 of 2004 (Act. No.6 of 2004) [the MPRA] from 1 July 2009. Section 3 of the MPRA requires the Municipality to adopt a policy consistent with the MPRA on the levying of rates on rateable property in the Municipality and to be reviewed annually.

This Rates Policy for Umvoti Municipality determines how properties are rated and must be read in conjunction with the MPRA and ancillary legislation.

## **DEFINITIONS**

Any words and phrases referred to in this policy shall have the same meaning and interpretation assigned in terms of the Municipal Property Rates Act 6 of 2004 ("the Act") and for this purpose lists hereunder the definitions used in the Act, unless the context indicates otherwise-

**"Agent"**, in relation to the owner of a property, means a person appointed by the owner of the property-

- (a) to receive rental or other payments in respect of the property on behalf of the owner; or
- (b) to make payments in respect of the property on behalf of the owner;

**"Agricultural property"** means property that is used primarily for agricultural purposes but, without derogating from Section 9, excludes any portion thereof that is used commercially for the hospitality of guests, and excludes the use of property for the purpose of eco-tourism or for the trading in or hunting game.

**"Arrear rates"** means any amount due for payment of rates which remains unpaid after the due date for payment.

**"Annually"** means once every financial year;

**"Appeal board"** means 'a valuation appeal board established in terms of section 56;

**"Assistant municipal valuer"** means a person designated as an assistant municipal valuer in terms of section 35 (1) or (2) of the Act;

**"Category"-**

- (a) in relation to property, means a category of properties determined in terms of section 8 of the Act; and
- (b) in relation to owners of properties, means a category of owners determined in terms of section 15 (2) of the Act;

**"data-collector"** means a person designated as a data-collector in terms of section 36 of the Act;

**"Date of valuation"** means the date determined by a municipality in terms of section 31 (1) of the Act;

**"Day"** means when any number of days are prescribed for the performance of any act, those days must be reckoned by excluding the first and including the last day, unless the last day falls on a Saturday, Sunday or any public holiday, in which case the number of days must be reckoned by excluding the first day and also any such Saturday, Sunday or public holiday;

**"District municipality"** means a municipality that has municipal executive and legislative authority in an area that includes more than one municipality, and which is described in section 155 (1) of the Constitution as a category C municipality;

**“Effective date”-**

- (a) in relation to a valuation roll, means the date on which the valuation roll takes effect in terms of section 32 (1) of the Act; or
- (b) in relation to a supplementary valuation roll, means the date on which a supplementary valuation roll takes effect in terms of section 78 (2) (b) of the Act;

**“Exclusion”**, in relation to a municipality's rating power, means a restriction of that power as provided for in section 17 of the Act;

**“Exemption”**, in relation to the payment of a rate, means an exemption granted by municipality in terms of section 15 of the Act;

**“Financial year”** means the period starting 1 July in a year to 30 June the next year;

**“Income Tax Act”** means the Income Tax Act, 1962 (Act No. 58 of 1962)

**“land reform beneficiary”**, in relation to a property means a person who—

- (a) Acquired the property through—
  - (i) the Provision of Land and Assistance Act, 1993 (Act No. 126 of 1993); or
  - (ii) the Restitution of The Land Rights Act, 1994 (Act No. 22 of 1994);
- (b) holds the property subject to the Communal Property Associations Act, 1996 (Act No. 28 of 1996); or
- (c) holds or acquires the property in terms of such other land tenure reform legislation as may be pursuant to section 25(6) and (7) of the Constitution be enacted after this Act has taken effect;

**“land tenure right”** means a land tenure right as defined in section 1 of the Upgrading of Land Tenure Rights Act, 1991 (Act No. 112 of 1991);

**“Local community”**, in relation to a municipality-

- (a) means that body of persons comprising-
  - (i) the residents of the municipality;
  - (ii) the ratepayers of the municipality;
  - (iii) any civic organizations and non-governmental, private sector or labour organizations or bodies which are involved in local affairs within the municipality; and
  - (iv) visitors and other people residing outside the municipality who, because of their presence in the municipality, make use of services or facilities provided by the municipality; and
- (b) Includes, more specifically, the poor and other disadvantaged sections of such body of persons;

**“local municipality”** means a municipality that shares municipal executive and legislative authority in its area with a district municipality within whose area it falls, and which is described in section 155 (1) of the Constitution as a category B municipality;

**“Market value”**, in relation to a property, means the value of the property determined in accordance with section 46 of the Act;

**“MEC for local government”** means the member of the Executive Council of a province who is responsible for local government in that province;

**“Metropolitan municipality”** means a municipality that has exclusive executive and legislative authority in its area, and which is described in section 155 (1) of the Constitution as a category A municipality;

**“Minister”** means the Cabinet member responsible for local government;

**"mining property"** means a property used for mining operations as defined in the Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002);

**"Multi purposes"**, in relation to a property, means the use of a property for more than one purpose, subject to section 9;

**"Municipal council" or "council"** means a municipal council referred to in section 18 of the Municipal Structures Act;

**"Municipal Finance Management Act"** means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

**"Municipal manager"** means a person appointed in terms of section 54(A) of the Municipal Systems Act;

**"Municipal Structures Act"** means the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);

**"Municipal Systems Act"** means the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);

**"Municipal valuer" or "Valuer of a municipality"** means a person designated as a municipal valuer in terms of section 33 (1) of the Act;

**"Newly rateable property"** means any rateable property on which property rates were not levied before the end of the financial year preceding the date on which this Act took effect, excluding—

- (a) a property which was incorrectly omitted from a valuation roll and for that reason was not rated before that date; and
- (b) a property identified by the Minister by notice in the Gazette where the phasing-in of a rate is not justified;

**"Occupier"**, in relation to a property, means a person in actual occupation of a property, whether or not that person has a right to occupy the property;

**"office bearer"**, in relation to places of public worship, means the primary person who officiates at services at that place of worship;

**"Organ of state"** means an organ of state as defined in section 239 of the Constitution;

**"official residence"**, in relation to places of public worship, means—

- (a) a portion of the property used for residential purposes; or
- (b) one residential property, if the residential property is not located on the same property as the place of public worship,

registered in the name of a religious community or registered in the name of a trust established for the sole benefit of a religious community and used as a place of residence for the office bearer;

**"Owner"—**

- (a) in relation to a property referred to in paragraph (a) of the definition of "property", means a person in whose name ownership of the property is registered;
- (b) in relation to a right referred to in paragraph (b) of the definition of "property", means a person in whose name the right is registered;
- (bA) in relation to a time sharing interest contemplated in the Property Time-sharing Control Act, 1983 (Act No. 75 of 1983), means the management association contemplated in the regulations made in terms of section 12 of the Property Time-sharing Control Act, 1983, and published in Government Notice R327 of 24 February 1984;
- (bB) in relation to a share in a share block company, the share block company as defined in the Share Blocks Control Act, 1980 (Act No. 59 of 1980);
- (bC) in relation to buildings, other immovable structures and infrastructure referred to in section 17(1)(f), means the holder of the mining right or the mining permit;
- (c) in relation to a land tenure right referred to in paragraph (c) of the definition of "property", means a person in whose name the right is registered or to whom it was granted in terms of legislation; or
- (d) in relation to public service infrastructure referred to in paragraph (d) of the definition of "property", means the organ of state which owns or controls that public service infrastructure as envisaged in the definition of "publicly controlled",

provided that a person mentioned below may for the purposes of this Act be regarded by a municipality as the owner of a property in the following cases:

- (i) A trustee, in the case of a property in a trust excluding state trust land;
- (ii) an executor or administrator, in the case of a property in a deceased estate;
- (iii) a trustee or liquidator, in the case of a property in an insolvent estate or in liquidation;
- (iv) a judicial manager, in the case of a property in the estate of a person under judicial management;
- (v) a curator, in the case of a property in the estate of a person under curatorship;
- (vi) a person in whose name a usufruct or other personal servitude is registered, in the case of a property that is subject to a usufruct or other personal servitude;
- (vii) a lessee, in the case of a property that is registered in the name of a municipality and is leased by it; or
- (viiA) a lessee, in the case of property to which a land tenure right applies and which is leased by the holder of such right; or
- (viii) a buyer, in the case of a property that was sold by a municipality and of which possession was given to the buyer pending registration of ownership in the name of the buyer;

**"Permitted use"**, in relation to a property, means the limited purpose for which the property may be used in terms of:-

- (a) any restrictions imposed by:-
  - (i) any condition of title;
  - (ii) a provision of a town planning or land use scheme; or
- (b) any legislation applicable to any specific property or properties; or
- (c) any alleviation of any such restrictions

**"Person"** includes an organ of state;

**"place of public worship"** means property used primarily for the purposes of congregation, excluding a structure that is primarily used for educational instruction in which secular or religious education is the primary instructive medium: Provided that the property is—

- (a) registered in the name of the religious community;
- (b) registered in the name of a trust established for the sole benefit of a religious community; or
- (c) subject to a land tenure right;

**"Prescribe"** means prescribe by regulation in terms of section 83 of the Act;

**"Property"** means:-

- (a) immovable property registered in the name of a person, including, in the case of a sectional title scheme, a sectional title unit registered in the name of a person;
- (b) a right registered against immovable property in the name of a person, excluding a mortgage bond registered against the property;
- (c) a land tenure right registered in the name of a person or granted to a person in terms of legislation; or
- (c) Public service infrastructure;

**"Property register"** means a register of properties referred to in section 23 of the Act;

**"Protected area"** means an area that is or has to be listed in the register referred to in section 10 of the Protected Areas Act;

**"Protected Areas Act"** means the National Environmental Management: Protected Areas Act, 2003;

**"Publicly controlled"** means owned by or otherwise under the control of an organ of state, Including:-

- (a) a public entity listed in the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) a municipality; or
- (c) a municipal entity as defined in the Municipal Systems Act;

**"Public service infrastructure"** means publicly controlled infrastructure of the following kinds:-

- (a) national, provincial or other public roads on which goods, services or labour move across a municipal boundary;

- (b) water or sewer pipes, ducts or other conduits, dams, water supply reservoirs, water treatment plants or water pumps forming part of a water or sewer scheme serving the public;
- (c) power stations, power substations or power lines forming part of an electricity scheme serving the public;
- (d) gas or liquid fuel plants or refineries or pipelines for gas or liquid fuels, forming part of a scheme for transporting such fuels;
- (e) railway lines forming part of a national railway system;
- (f) communication towers, masts, exchanges or lines forming part of a communications system serving the public;
- (g) runways, aprons and the air traffic control unit at national or provincial airports, including the vacant land known as the obstacle free zone surrounding these, which must be vacant for air navigation purposes;
- (h) breakwaters, sea walls, channels, basins, quay walls, jetties, roads, railway or infrastructure used for the provision of water, lights, power, sewerage or similar services of ports, or navigational aids comprising lighthouses, radio navigational aids, buoys, beacons or any other device or system used to assist the safe and efficient navigation of vessels;
- (i) any other publicly controlled infrastructure as may be prescribed; or
- (j) a right registered against immovable property in connection with infrastructure mentioned in paragraphs (a) to (i);

**"public service purposes"**, in relation to the use of a property, means property owned and used by an organ of state as—

- (a) hospitals or clinics;
- (b) schools, pre-schools, early childhood development centres or further education and training colleges;
- (c) national and provincial libraries and archives;
- (d) police stations;
- (e) correctional facilities; or
- (f) courts of law,

but excludes property contemplated in the definition of "public service infrastructure";

**"Rate"** means a municipal rate on property envisaged in section 229 (1) (a) of the Constitution;

**"rateable property"** means property on which a municipality may in terms of section 2 of the Act, levy a rate excluding property fully excluded from the levying of rates in terms of section 17 of the Act;

**"ratio"**, in relation to section 19, means the relationship between the cent amount in the Rand applicable to residential properties and different categories of non-residential properties: Provided that the two relevant

cent amounts in the Rand are inclusive of any relief measures that amount to rebates of a general application to all properties within a property category;

**"Rebate"**, in relation to a rate payable on a property, means a discount granted in terms of section 15 of the Act on the amount of the rate payable on the property;

**"reduction"**, in relation to a rate payable on a property, means the lowering in terms of section 15 of the Act of the amount for which the property was valued and the rating of the property at that lower amount;

**"Register"**—

- (a) means to record in a register in terms of
  - (i) the Deeds Registries Act, 1937 (Act No. 47 of 1937); or
  - (ii) the Mining Titles Registration Act, 1967 (Act No. 16 of 1967); and
- (b) includes any other formal act in terms of any other legislation to record—
  - (i) a right to use land for or in connection with mining purposes; or
  - (ii) a land tenure right;

**"residential property"** means a property included in a valuation roll in terms of section 48(2)(b) in respect of which the primary use or permitted use is for residential purposes without derogating from section 9;

**"Sectional Titles Act"** means the Sectional Titles Act, 1986 (Act No. 95 of 1986);

**"Sectional title scheme"** means a scheme defined in section 1 of the Sectional Titles Act;

**"Sectional title unit"** means a unit defined in section 1 of the Sectional Titles Act;

**"Specified public benefit activity"** means an activity listed in item 1 (welfare humanitarian), item 2 (health care) and item 4 (education and development) of Part 1 of the Ninth Schedule to the Income Tax Act;

**"State trust land" means land owned by the state-**

- (a) in trust for persons communally inhabiting the land in terms of a traditional system of land tenure;
- (b) over which land tenure rights were registered or granted; or
- (c) which is earmarked for disposal in terms of the Restitution of Land Rights Act, 1994 (Act No. 22 of 1994);

**"This Act"** includes regulations made in terms of section 83 of the Act.

- (a) In this Act a word or expression derived from a word or expression defined in subsection (1) has corresponding meaning unless the context indicates that another meaning is intended.

### **Other Definitions**

**"Arrear rates"** means any rates which remain unpaid after the due date for payment.

**"Child"** means 18 years or younger

**"Child-headed household"** means any child, 18 years or younger, of the owner of the property who is responsible for the care of siblings or parents

**“Disabled”** means a person who qualifies to receive relief in terms of the Social Services Act, 1992 (Act No. 59 of 1992) or has been certified as disabled by a medical practitioner;

**“Indigent owner”** means an owner of property who is in permanent occupation of the property and is registered as an indigent in terms of the municipality's indigent policy.

**“MPRA”** means the Municipal Property Rates Act, 6 of 2004 (Act. No. 6 of 2004)

**“The Municipality”** means Umvoti Municipality;

**“Owners of property in an area affected by a disaster”** mean owners of property situated within an area affected by:-

- (a) a disaster within the meaning of the Disaster Management Act 57 of 2002;
- (b) any other serious adverse social or economic conditions;

**“Pensioner”** means

- (a) a person 60 years or older; or
- (b) a person who has been medically boarded
- (c) receiving a disability grant.

**“Primary property”** means the property at which the owner permanently resides

**“Residential property”** means any property used for living purposes which forms a living unit that is used as a dwelling for human habitation purposes, or a multiple number of such unit but excludes:-

- (a) A hotel
- (b) An accommodation establishment including a bed and breakfast; or
- (c) A dwelling where more than one third is used for other purposes

**“Right of Extension”** means a right of extension registered in terms of a Sectional Title Scheme

**“Sectional Title Scheme”** means any scheme in terms of the Sectional Titles Act

**“Non-profit organization”** means any organization which is registered in terms of the Non- profit Organizations Act, No 71 of 1997;

**“Unemployed”** means any person who qualifies to register in terms of the municipality's indigent policy;



## 1. IMPLEMENTATION OF AND EFFECTIVE DATE

- 1.1. This policy takes effect from 1 July 2009 being the effective date of the first valuation roll prepared by the municipality in terms of the MPRA and must accompany the municipality's budget for the financial year.
- 1.2. The rates policy will be reviewed annually, and if necessary amended by the municipality such amendments to be effected in conjunction with the municipality's annual budget in terms of Sections 22 & 23 of the Municipal Financial Management Act.
- 1.3. The municipality has adopted bylaws to give effect to the implementation of its rates policy and such bylaws must be read in conjunction with this policy. The rates bylaws may differentiate between:-
  - 1.3.1. categories of properties; and
  - 1.3.2. categories of owners of properties
- 1.4. The bylaws adopted in terms of Section 1.3 may be reviewed annually, and if necessary be amended by the municipality, in conjunction and in accordance with the rates policy.

## 2. THE PURPOSE OF THIS POLICY

The purpose of this policy is to:-

- 2.1. Ensure compliance with the provisions section 3 of the Municipal Property Rates Act 2004 (Act 6 of 2004);
- 2.2. Determine the methodology and prescribe procedures for the implementation of the Act;
- 2.3. Determine criteria to be applied for the levying of differential rates for different categories of properties;
- 2.4. Determine or provide criteria for the determination of categories of properties and categories of owners of properties;
- 2.5. Determine the principles and criteria to be applied for granting relief from payment of rates;
- 2.6. Determine how the municipality's powers must be exercised in relation to multipurpose properties

## 3. EQUITABLE TREATMENT OF RATEPAYERS

Umvoti Municipality is committed to treating all ratepayers on an equitable basis. "Equitable" does not necessarily mean "equal" treatment of ratepayers. The municipality may adopt measures to ensure equitable and fair treatment of ratepayers. Any differentiation in levying rates must not constitute unfair discrimination.

## 4. MARKET VALUE

- 4.1. All properties are valued at market value in terms of the provision of section 46 of the MPRA.
- 4.2. In assessing the market value, the municipal valuer may take cognisance of any guidelines or recommendations issued by the SA Institute for Valuers, the Kwazulu-Natal Department of Local

Government & Traditional Affairs and/or the National Department or any other recognised government institution.

## **5. RATE RANDAGE**

The municipality will, by resolution, as part of each annual budget process, determine a rate as a cent in the rand, based on the property value appearing in the valuation roll applicable to that financial year.

## **6. BASIC DECISIONS AROUND RATING**

### **6.1. The municipal has resolved:-**

6.1.1. to levy rates on all rateable property in its area of jurisdiction, excluding property within the area of jurisdiction of the Ingonyama Trust Board.

6.1.2. that the date of valuation is as determined by Council from time to time.

6.1.3. that it may levy different rates for different categories of properties

6.1.4. that the category of property will be determined based on actual use of the property. A change of use may result in a change in the category of property.

6.1.5. that the valuations for multipurpose usage will be based on the dominant use of the property

6.1.8. to rate public service infrastructure

6.1.9. that in terms of the act, in addition to "owner" as defined herein, to regard the following persons as the owner of a property in the following cases:-

6.1.8.1. a trustee, in the case of a property in a trust excluding state trust land;

6.1.8.2. an executor or administrator, in the case of property in a deceased estate;

6.1.8.3. a trustee or liquidator, in the case of a property in an insolvent estate or in liquidation;

6.1.8.4. a judicial manager, in the case of property in the estate of a person under judicial management;

6.1.8.5. a curator, in the case of a property in the estate of a person under curatorship;

6.1.8.6. persons in whose name the following personal rights are registered:-

6.1.8.6.1. holders of a right of extension registered in terms of a sectional title scheme;

6.1.8.6.2. a lessee, in the case of property that is registered in the name of a municipality and is leased by it and who shall be deemed to be the new owner from the date of commencement of the lease;

- 6.1.8.6.3. a buyer, in the case of property that was sold by the municipality who shall be deemed to be the owner from the date of disposal pending registration of ownership in the name of the buyer.

## **7. CATEGORIES OF PROPERTIES AND CRITERIA FOR ASSESSING THE CATEGORIES**

### **7.1. The municipality has determined the following categories:-**

- 7.1.1 Agricultural Smallholding
- 7.1.2 Commercial
- 7.1.3 Communal Property Association
- 7.1.4 Industrial
- 7.1.5 Institutional
- 7.1.6 Multi-Purpose Property
- 7.1.7 Municipal Owned Property
- 7.1.8 National Monument
- 7.1.9 Public Benefit Organisation
- 7.1.10 Place of Worship
- 7.1.11 Protected Areas
- 7.1.12 Public Service Infrastructure
- 7.1.13 Rural Communal Land
- 7.1.14 Residential
- 7.1.15 State Owned Property
- 7.1.16 Specialized Non Market
- 7.1.17 S Title Business
- 7.1.18 S Title Multi -Purpose
- 7.1.19 S Title Residential
- 7.1.20 Vacant Land

### **7.2. In determining whether a property is used for agricultural purposes, cognisance shall be taken of the following:-**

- 7.2.1. Whether the usage is that of a bona fide farm by way of a business or commercial farming;
- 7.2.2. Whether the dominant use excludes any of the categories listed in 7.1.2. – 7.1.20 above.
- 7.2.3. Whether the property has been zoned for agricultural usage
- 7.2.4. The usage reflected on the aerial photography of the property, the adjacent properties and properties in the immediate proximity

- 7.2.5. Whether the property is situated outside of a township and/or is regarded as being "rural" property
- 7.2.6. The access to the property
- 7.2.7. Whether the property is subject to the provisions of the subdivision of Agricultural Land Act 1970 (Act No. 79 of 1970).

## **8. MULTIPLE PURPOSE PROPERTIES**

Properties used for multiple purposes will be categorized according to the dominant usage;

- 8.1. In considering what constitutes the dominant use, the municipal valuer will assess the primary use to which the property is put and determine the category of use based on this primary usage. In assessing what constitutes the primary/dominant usage the municipal valuer shall:-
  - 8.1.1. establish the largest measured extent under the primary usage (land and /or buildings) and assign that usage to the applicable category in clause 7 above; or
  - 8.1.2. determine the highest gross rental usage (land and/or buildings) and assign that usage to the applicable category in clause 7 above; as the case may be
- 8.2. Once the multiple purpose property has been assigned to its category of usage;
  - 8.2.1. The value will be assessed based on that usage; and
  - 8.2.2. the rate randage applicable to that category of property will be applied for rating purposes;
- 8.3. The provision of sub paragraph 8.1. – 8.2. shall not apply to the rural communal and state trust land.
- 8.4. In determining the category into which vacant land shall fall, the following criteria shall be applied:-
  - 8.4.1. if the property is being used, it shall be assigned to the category for which it is being used;
  - 8.4.2. if the property is not being used, and it is zoned, it shall be assigned to the category which most closely matches the zoned usage;
  - 8.4.3. Where the property is not zoned it shall be assigned to the category based on its highest and best potential as determined by the municipal valuer.
- 8.5. In the case where dominant use is exempt from the payment of rates, and the remainder of the property is used for another purpose/s, the remainder will be assessed on that usage/s and categorized as a multiple use.

- 8.6. In the case of state trust land and rural communal land the different usage will be assessed pro rata and assigned to a category.

9. **RATES RELIEF**

- 9.1. The municipality has considered the need to grant relief to certain ratepayers (including the poor) with a view to providing for appropriate measures to alleviate the impact of the rates burden on them;

- 9.2. The municipality may only grant rates relief in the form of :-

- 9.2.1. a rebate of rates; and/or
- 9.2.2. a reduction in the property value on which rates will be raised;
- 9.2.3. an exemption of rating

- 9.3. Rates relief may only be granted to:-

- 9.3.1. a category of property
- 9.3.2. a category of owners of property

The municipality may not grant relief to the owners of properties on an individual basis.

10. **CATEGORIES OF OWNERS ENTITLED TO RELIEF**

- 10.1. This municipality has identified the following categories of owners of properties below who may benefit from rates relief:-

- 10.1.1. Indigent owners
- 10.1.2. A person who has been medically boarded
- 10.1.3. Pensioners
- 10.1.4. Unemployed
- 10.1.5. Owners of property situated within an area affected by:-

- 10.1.5.1. a disaster within the meaning of the Disaster Management Act act 57 of 2002;
- 10.1.5.2. Any other serious adverse social or economic conditions;
- 10.1.5.3. Owners of residential properties below a market value determined by the municipality;
- 10.1.5.4. Public benefit organizations who conduct the following specified public benefit activities:-
  - 10.1.7.1. Welfare & humanitarian;
  - 10.1.7.2. Health care;
  - 10.1.7.3. Education;

10.1.7.4. And are registered in terms of the Income Tax Act for tax reductions because of the activities referred to in (10.1.5);

- 10.1.6. Owners of residential properties below a market value of R250 000 as determined by the municipal Indigent Policy
- 10.1.7. Indigent owners are entitled to 100 per cent of the total payable property rates, provided the beneficiary has applied annually for the relief;
- 10.1.8. Non-profit organizations registered in terms of the Non-Profit Organizations Act whose activities are that of a public charitable nature as may be specified by the municipality from time to time;
- 10.1.9. Minor children who are the head of a household as defined in “child headed households”;
- 10.1.10. Disabled persons;
- 10.1.11. Any other category as may be deemed by the municipality by resolution from time to time.

## **11. EXEMPTIONS**

### **11.1. EXEMPTIONS GRANTED TO CATEGORIES OF PROPERTIES**

The municipality may exempt in total, from payment of rates the following categories of properties:-

- 11.1.1. Property registered in the name of and used primarily as a place of public worship by a religious community including one official residence also registered in the name of that community, which is occupied by an office bearer who officiates at services at that place of public worship.
- 11.1.2. Property which may be registered in the name of the Ingonyama Trust Board, the State or a Trust, and which is used primarily as a place of public worship by a religious community including an official residence, which is occupied by an office bearer who officiates at services at that place of public worship.

### **11.2. EXEMPTIONS GRANTED TO CATEGORIES OF OWNERS OF PROPERTIES**

The municipality may exempt from payment of rates any of the categories of owners of properties identified in clause 10 above.

### **11.3. All applications for relief shall be granted on an annual basis upon written application on the prescribed format as follows:-**

- 11.3.1. Application for each financial year must be lodged in the prescribed format with the Municipal Manager on or before the date specified by the municipality;
- 11.3.2. in the case of public benefit organizations upon proof of:-
  - 11.3.2.1. Registration in terms of the requirements of the Income Tax Act; and

- 11.3.2.2. an affidavit signed by the chairperson or secretary of the public benefit organization or non-profit organization before a Commissioner of Oaths that the property is used primarily for the specified public benefit activities and purposes of the said public benefit organization;

11.3.3. In the case of a religious community upon proof of submission:-

- 11.3.3.1. that the property is used primarily as a place of public worship; and
- 11.3.3.2. that the property is registered in the name of the applicant by producing a copy of a title deed issued by the Deeds Registry within the last two (2) months; and
- 11.3.3.3. an affidavit signed by the person officiating at the place of worship that the property occupied as the residence is occupied by the office bearer who officiates at services at that place of worship;

11.4. In the case of properties owned by non-profit organizations upon proof of submission of:-

- 11.4.1. The non-profit organization is registered as such in terms of the Non Profit Organization Act as amended; and
- 11.4.2. an affidavit signed by the chairman or secretary of the non profit organization before a Commissioner of Oaths that the property is used primarily for the aim and objective of the said non-profit organization; and
- 11.4.3. That no private pecuniary profit is made from the property, and/or
- 11.4.4. That no rent is received by the applicant for any use of the property by other persons; and/or
- 11.4.5. The property is not used for any other purpose.

11.5. The municipality may on application grant an exemption to any portion of a property owned by any person and which is:-

- 11.5.1. Used primarily as a place of public worship; and
- 11.5.2. In the case of any residence, occupied by an office bearer who officiates at services at that place of worship;

Provided that the provisions of clauses 11.4. above shall apply mutatis mutandis.

- 11.6. The municipality reserves the right to specify such other requirements as the Municipal Manager deems necessary to specify from time to time.

## **12. REDUCTIONS**

- 12.1. It is recorded that the municipality is precluded from levying rates on the following categories determined by the municipality:-

12.1.1. The first R15 000 of the market value of a property assigned in the valuation roll or supplementary valuation roll of a municipality for residential properties in terms of section 17(1)(h) of the Act;

12.1.2. the first R15 000 of the market value of the property assigned in the valuation roll or supplementary valuation roll of a municipality for multi purposes, relating to that portion used for residential purposes only;

12.1.3. On the 100% of the market value of a property assigned in the valuation roll or supplementary valuation roll of a municipality for Public Service Infrastructure in terms of section 17(1)(aA) of the amended Act.

- 12.2. The municipality may resolve to further reduce the value upon which rates will be levied by an amount determined by the municipality by resolution of the council at its annual budget in respect of residential properties or properties used for multiple purposes, provided that:-

12.2.1. One or more components of the property are used for residential purposes; and

12.2.2. The provisions of 13.5.1. – 13.5.2. shall apply

## **13. RATES REBATES**

### **13.1. REBATES FOR CATEGORIES OF PROPERTIES**

13.1.1. The municipal council may at its annual budget resolve to grant to any of the categories or properties as determined in this policy.

13.1.2. The municipality may grant a life line benefit rebate on residential properties up to a value determined by a resolution of Council at its annual budget taking cognisance of the principle that such rebates shall address the indigent and poor.



**13.2. REBATES FOR CATEGORIES OF OWNERS OF PROPERTIES**

- 13.2.1. The municipality may by resolution of the Council at its annual budget, grant rates rebates in respect of rates payable on the *primary* residence, to the categories of owners of properties identified in clause 10 above in addition to the rebate granted to the category of properties in 13 above.
- 13.2.2. In order to qualify for the rebates in terms of 13.2.1 above the applicant must be the registered owner of the property; and
- 13.2.2.1. Be the sole owner of the primary property or owned jointly with his/her spouse;
- 13.2.2.2. Be living permanently on the property;
- 13.2.2.3. The value of the applicants primary property does not exceed a value determined by the council at its annual budget
- 13.2.2.4. Provide proof identity in the form of an identity document; and
- 13.2.2.5. Substantiate items 13.2.2.1. to 13.2.2.2. above by way of a sworn affidavit before a Commissioner of Oaths;
- 13.2.2.6. provide a medical certificate as required by the municipality if the application relies on a medical basis for the rebate;
- 13.2.2.7. Any other supporting documents specified by the municipality from time to time.
- 13.3. In order to qualify for the rebates as a minor child or unemployed, the person must be registered as an indigent in terms of the council's indigent policy.
- 13.4. Rebates will be determined for each financial year by resolution of the municipal council at its budget.
- 13.5. The council reserves the right, in granting any such rebates to:-
- 13.5.1. Restrict the type of relief that may be granted to each category of owner or category of owner of property; and
- 13.5.2. Impose any other conditions as it may deem appropriate from time to time.
- 13.6. The provisions of clauses 11.4.3. – 11.4.5. shall apply.

**14. WITHDRAWAL OF RELIEF****14.1. The entitlement to rates relief terminates immediately if:-**

14.1.1. The applicant no longer qualifies for the relief;

14.1.2. The provisions and requirements of this policy are contravened in any manner, and/or the category of property or category of owner of property no longer meet/s the specifications required for such rebate, reduction or exemption.

14.1.3. The applicant has omitted to disclose any material information in the application, and/or has misrepresented any disclosure in the application.

14.2. In the event that the owner has had the benefit from rates relief after the rates relief has terminated as provided for in Section 14.1. above, the owner will be liable to pay the rates due from the date of termination of the relief and such rates will be deemed to be arrear rates.

14.3. The onus rests with the owner or applicant to notify the municipality in writing immediately of its change of status or that it no longer qualifies for the relief.

**15. LAIBILITY FOR PAYMENT OF RATES****15.1. The following persons shall be liable for payment of rates levied by the municipality:-**

15.1.1. The owner of the property

15.1.2. Joint owners of a property, who shall be liable jointly and severally;

15.1.3. The owner of a sectional title unit. In this regard joint owners of a sectional title property shall be liable jointly and severally;

15.1.4. The Holder of Right of Extension in a Sectional Title Scheme

15.1.5. in relation to agricultural properties:-

15.1.5.1. Any one joint owner of the agricultural property for all the rates levied on the agricultural property; or

15.1.5.2. Each individual joint owner for that portion of rates levied on the joint owner's undivided share in the agricultural property, which ever option the municipality may choose in relation to agricultural properties.

15.1.6. Any owner identified in clause 6.1.9. above.

15.2. In terms of Section 26 of the Act the municipality will recover rates on a monthly basis over an eleven (11) month period of the financial year, which rate must be paid for each monthly period within 14 days of the statement date.

**16. COLLECTION OF RATES**

16.1. The municipality will furnish each person liable for the payment of rates with a written account in terms of Section 27 of the Act.

- 16.2. A municipality may recover arrear rates from tenants and occupiers in accordance with the provisions of Section 28 of the Act.
- 16.3. A municipality may recover arrear rates, either whole or in part, from the agent of the owner if this is more convenient for the municipality in terms of Section 29 of the Act.
- 16.4. The municipality reserves the right to refuse the provision of services to an owner or an occupant/lessee of a property if:-
- 16.4.1. the rates in respect of that property are in arrears; and/or
- 16.4.2. if the owner of the property is deceased, and the estate has either not been reported to the Master or an Executor has not been appointed in respect of the deceased estate.

## 17. **CONSOLIDATION OF ACCOUNTS**

Separate accounts of persons liable for payment to the municipality for either rates or services may be consolidated in one account and any appropriation of payments will be done in accordance with the municipality's credit control policy.

## 18. **IMPERMISSABLE RATES IN TERMS OF THE ACT**

- 18.1. It is recorded that the municipality may not, in terms of Section 17 of the Act levy a rate on:-
- 18.1.1. The first 30% of the market value of public service infrastructure;
- 18.1.2. those parts of a special nature reserve, national park or nature reserve within the meaning of the Protected Areas Act, or of a national botanical garden within the meaning of the National Environmental Management: Biodiversity Act 2004, which are not developed or used for commercial, business, agricultural or residential purposes provided that the exclusion from rates of such a property lapses if the declaration of that property as a special nature reserve, national park, nature reserve of national botanical garden, or as part of such a reserve, park or botanical garden, is withdrawn in terms of the applicable legislation;
- 18.1.3. Mineral rights within the remaining of the definition of "property" in section 1;
- 18.1.4. a property belonging to a land reform beneficiary or his or her heirs, provided that this exclusion lapses ten years from the date on which such beneficiaries title was registered in the office of the Registrar of Deeds;
- 18.1.5. on a property registered in the name of and used primarily as a place of public worship by a religious community, including an official residence registered in the name of that community which is occupied by an office-bearer of that community who officiates at services at that place of worship.
- 18.2. If the property in respect of which the declaration referred to in 18.1.2. is withdrawn is privately owned, the provisions of section 7 (2) of the Act shall apply.

19. **NEWLY RATED PROPERTY**

19.1. Any property which was not previously rated will be phased in subject to the following conditions:-

- 19.1.1. That the property registered in the name of a land reform beneficiary will be phased in after the exclusion period in section 17 (1) of the Act;
- 19.1.2. That the property owned by Public Benefit Organizations will be phased in over a period of four financial years.

20. **MUNICIPAL OWNED PROPERTY**

Properties owned by the municipality will not be rated.

21. **ACCRUED DEBT BY BODY CORPORATE**

The sectional title owners shall be held jointly and severally liable for the current and accrued debt of the body corporate incurred prior to 1 July 2009.

22. **RECOVERY OF RATES**

The municipality may provide for additional conditions relating to the payment and recovery of rates in its Credit Control and Debt Collection policies and bylaws, including the charging of interest, collection charges and administrative charges.








# IMPORTANT Information from Government Printing Works

Dear Valued Customers,

Government Printing Works has implemented rules for completing and submitting the electronic Adobe Forms when you, the customer, submits your notice request.

Please take note of these guidelines when completing your form.

## GPW Business Rules

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1. No hand written notices will be accepted for processing, this includes Adobe forms which have been completed by hand.
  2. Notices can only be submitted in Adobe electronic form format to the email submission address [submit.egazette@gpw.gov.za](mailto:submit.egazette@gpw.gov.za). This means that any notice submissions not on an Adobe electronic form that are submitted to this mailbox will be **rejected**. National or Provincial gazette notices, where the Z95 or Z95Prov must be an Adobe form but the notice content (body) will be an attachment.
  3. Notices brought into GPW by "walk-in" customers on electronic media can only be submitted in Adobe electronic form format. This means that any notice submissions not on an Adobe electronic form that are submitted by the customer on electronic media will be **rejected**. National or Provincial gazette notices, where the Z95 or Z95Prov must be an Adobe form but the notice content (body) will be an attachment.
  4. All customers who walk in to GPW that wish to submit a notice that is not on an electronic Adobe form will be routed to the Contact Centre where the customer will be taken through the completion of the form by a GPW representative. Where a customer walks into GPW with a stack of hard copy notices delivered by a messenger on behalf of a newspaper the messenger must be referred back to the sender as the submission does not adhere to the submission rules.
  5. All notice submissions that do not comply with point 2 will be charged full price for the notice submission.
  6. The current cut-off of all Gazette's remains unchanged for all channels. (Refer to the GPW website for submission deadlines – [www.gpwonline.co.za](http://www.gpwonline.co.za))
  7. Incorrectly completed forms and notices submitted in the wrong format will be rejected to the customer to be corrected and resubmitted. Assistance will be available through the Contact Centre should help be required when completing the forms. (012-748 6200 or email [info.egazette@gpw.gov.za](mailto:info.egazette@gpw.gov.za))
  8. All re-submissions by customers will be subject to the above cut-off times.
  9. All submissions and re-submissions that miss the cut-off will be rejected to the customer to be submitted with a new publication date.
  10. Information on forms will be taken as the primary source of the notice to be published. Any instructions that are on the email body or covering letter that contradicts the notice form content will be ignored.

You are therefore advised that effective from **Monday, 18 May 2015** should you not comply with our new rules of engagement, all notice requests will be rejected by our new system.

Furthermore, the fax number **012- 748 6030** will also be **discontinued** from this date and customers will only be able to submit notice requests through the email address [submit.egazette@gpw.gov.za](mailto:submit.egazette@gpw.gov.za).

