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**CONTENTS**

	<i>Gazette</i>	<i>Page</i>
	<i>No.</i>	<i>No.</i>
<b>PROVINCIAL NOTICES • PROVINSIALE KENNISGEWINGS</b>		
230	Local Government: Municipal Property Rates Act No 6, of 2004: Municipality's Property Rates By-Law..... 4290	4

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**PROVINCIAL NOTICES • PROVINSIALE KENNISGEWINGS**

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**PROVINCIAL NOTICE 230 OF 2019**

Ntabankulu Local Municipality, hereby, in terms of section 6 of the Local Government: Municipal Property Rates Act No 6, of 2004 has by way of a Council Resolution adopted the Municipality's Property Rates By-Law set out hereunder.

**1. PREAMBLE**

The Municipal Property Rates Act No. 6 of 2004 (MPRA) requires municipalities to develop and adopt rates policies and by-laws consistent with the Act on the levying of rates on rateable property in the municipality.

Municipalities need a reliable source of revenue to provide basic services and perform its functions. Income derived from property rates are the most important source of general revenue for the municipality.

Revenue from property rates is used to fund services that benefit the community as a whole as opposed to individual households. These include installing and maintaining streets, roads, sidewalks, lighting, and storm drainage facilities; and building and operating clinics, parks, recreational facilities and cemeteries. Revenue from property rates is also used to fund municipal administration, such as computer equipment and stationery, and costs of governance, such as council and community meetings, which facilitate community participation on issues of Integrated Development Plans (IDPs) and municipal budgets.

Municipal property rates are set, collected, and used locally. Revenue from property rates is spent within a municipality, where the citizens and voters have a voice in decisions on how the revenue is spent as part of the Integrated Development Plans (IDP's) and budget processes, which a municipality invites communities to input prior municipal council adoption of the budget.

The Constitution of the Republic of South Africa, 1996 entitles municipalities to impose rates on property in their areas, subject to regulation in terms of national legislation.

The Constitution enjoins local government to be developmental in nature, in addressing the service delivery priorities of our country and promoting the economic and financial viability of our municipalities and in general to meet its obligations in terms of section 152 of the Constitution of the Republic of South Africa, 1996.

There is a need to provide local government with access to a sufficient and buoyant source of revenue necessary to fulfil its developmental responsibilities.

Income derived from property rates is a critical source of revenue for municipalities to achieve their constitutional objectives, especially in areas that have been neglected

in the past due to racially discriminatory, inadequate or inappropriate legislation and regulation.

It is essential that municipalities exercise their power to impose rates within a statutory framework that not only enhances certainty, uniformity and simplicity across the nation, but also takes into account historical imbalances and the rates burden on the poor.

The Constitution of the Republic of South Africa confers on Parliament the power to regulate the exercise by municipalities of their fiscal powers.

## 2. LEGISLATIVE CONTEXT

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

(2) Section 13 of the 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,

(3) In terms of section 3 of the Property Rates Act, a municipal council must adopt a policy consistent with the Property Rates Act on the levying of rates on rateable properties in the municipality.

(4) In terms of section 6(1) of the Property Rates Act, a municipality must adopt by-laws to give effect to the implementation of its rates policy.

(5) In terms of section 6(2) of the Property Rates Act, by-laws adopted in terms of section 6(1) may differentiate between different categories of properties; and different categories of owners of properties liable for the payment of rates.

(6) The Constitution enjoins local government to be developmental in nature, in addressing the service delivery priorities of our country and promoting the economic and financial viability of our municipalities and in general to meet its obligations in terms of section 152 of the Constitution of the Republic of South Africa, 1996.

## 3. DEFINITIONS

In this By-Law, any word or expression to which a meaning has been assigned in the Local Government: Municipal Property Rates Act, (Act 6 of 2004) shall bear the same meaning unless the context indicates otherwise.

**"Municipality"** means the Ntabankulu Local Municipality.

**"Property Rates Policy"** means the Property Rates Policy adopted by the Municipality in terms of this By-Law.

**"Constitution"** means the Constitution of the Republic of South Africa.

**"Council"** means the Council of the Municipality.

**"Credit Control and Debt Collection Policy"** means the Municipality's Credit Control and Debt Management Policy as stipulated by sections 96(b) and 97 of the Systems Act.

**"Systems Act"** means the Local Government: Municipal Systems Act, (Act 32 of 2000).

**"Property Rates Act"** means the Local Government: Municipal Property Rates Act, (Act 6 of 2004) including the amendment Acts and Regulations pertaining to the same.

**"Rates"** means a municipal rate on property as envisaged in section 229(1)(a) of the Constitution.

#### **4. OBJECTS**

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

These by-laws must be read in conjunction with the above-mentioned policy and within the applicable provisions of the following legislation:

- Local Government: Municipal Systems Act no 32 of 2000
- Local Government: Municipal Finance Management Act no 56 of 2003 and:
- Local Government: Municipal Property Rates Act no 6 of 2004

#### **5. ADOPTION AND IMPLEMENTATION OF RATES POLICY:**

(1) The Council shall adopt and implement a rates policy consistent with the Property Rates Act on the levying of rates on rateable properties within the jurisdiction of the Municipality.

(2) The Council shall not be entitled to levy rates other than in terms of the valid Rates Policy.

#### **6. CONTENTS OF RATES POLICY**

The Municipality's Rates Policy shall, inter alia:

(1) Apply to all the rates levied by the Municipality pursuant to the adoption of the Municipality's annual budget.

(2) Comply with requirements for;

(a) the adoption and contents of a property rates policy specified in section 3 of the Property Rates Act.

(b) the differentiation of categories of properties and categories of owners of properties as provided for in section 6 of the Property Rates Act.

(c) the process of community participation specified in section 4 of the Property Rates Act.

(d) the annual review of a property rates policy specified in terms of section 5 of the Property Rates Act.

(3) Specify principles, criteria and implementation measures consistent with the Property Rates Act for the levying of rates which the Council may wish to adopt.

(4) Specify principles, criteria and implementation measures for the judicious granting of relief measures by means of Exemptions, Reductions and/or Rebates consistent with the Property Rates Act which the Council may wish to adopt.

(5) Include such further administrative, control and enforcement mechanisms if any that are consistent with the Property Rates Act and the Systems Act, as the Council may wish to impose in addition to those contained in the Credit Control and Debt Management By-Law and its associated Policy.

## **7. ENFORCEMENT OF RATES POLICY**

The Rates Policy of the Municipality shall be enforced through the Municipality's Credit Control and Debt Management By-Law and its associated Policy and any further enforcement mechanisms stipulated in the Municipality's Property Rates Policy.

## **8. SHORT TITLE and COMMENCEMENT DATE**

This By-Law is the Property Rates By-Law of Ntabankulu Local Municipality and shall take effect upon publication.

## **9. APPROVAL**

Signature: \_\_\_\_\_

Date:

Municipal Manager (Accounting Officer)

Signature: \_\_\_\_\_

Date:

Honourable Mayor



**RESOLUTION ON LEVYING PROPERTY RATES IN TERMS OF SECTION 14 OF THE LOCAL GOVERNMENT: MUNICIPAL PROPERTY RATES ACT, 2014 AS AMENDED (ACT NO.29 of 2014).**

Notice No. 01 Date 08/08/2019

**MUNICIPAL NOTICE: 2019/2020**

**RESOLUTION LEVYING PROPERTY RATES FOR THE FINANCIAL YEAR 1 JULY 2019 TO 30 JUNE 2020**

Notice is hereby given in terms of section 14(1) and (2) of the Local Government: Municipal Property Rates Act, 2014 as amended; that at its meeting of 30/05/2019, the Council resolved by way of council resolution number **OCM/4/19/007.2.5**, to levy the rates on property reflected in the schedule below with effect from 01 July 2019.

<b>Categories</b>	<b>Cent amount in Rand rate determined for relevant property category</b>
Residential property	0,00936
Business	0,01113
Agricultural property	0,00234
State owned Properties	0,0265
Vacant Land	0,00954

Full details of the Council resolution and rebates, reductions and exclusions specific to each category of owners of properties or owners of a specific category of properties as determined through criteria in the municipality's rates policy is available for inspection on the municipality's offices, website ([www.ntabankulu.gov.za](http://www.ntabankulu.gov.za)) and all public libraries.

**L. NONYONGO**

**MUNICIPAL MANAGER**

**NTABANKULU LOCAL MUNICIPALITY, ERF 85 MAIN STREET, NTABANKULU,5130. TEL: 039 258 2400**