

***THE PROVINCE OF
GAUTENG***

***DIE PROVINSIE VAN
GAUTENG***

**Provincial Gazette
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EXTRAORDINARY • BUITENGEWOON

Selling price • Verkoopprijs: **R2.50**
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LOCAL AUTHORITY NOTICES • PLAASLIKE OWERHEIDS KENNISGEWINGS

LOCAL AUTHORITY NOTICE 2228 OF 2019

Vaal River City, the Cradle of Human Rights

PROPERTY RATES LEVIES EFFECTIVE 1 JULY 2019**DETERMINATION OF PROPERTY RATES LEVIES FOR THE 2019/2020 FINANCIAL YEAR**

1. In terms of Sections 2, 7, 8 and 14 of the Local Government: Municipal Property Rates Act 6 of 2004 ("the Act"), read with Sections 4(1)(c)(ii) and 11(3)(i) and 75A of the Local Government: Municipal Systems Act 32 of 2000, as amended, the following rates (cent in the Rand amount) are proposed for the financial year 1 July 2019 to 30 June 2020, on the market value of property or on the market value of a right in property within the area of jurisdiction of the Council as appearing in the valuation roll, in respect of the various categories of properties set out below:

Ref no	Category	Rate Ratio	Rate (Cent in the Rand)	Rate (Cent in the Rand) Inclusive of rebate
1	Residential properties	1:1	R 0.0134	R 0.0094
2	Undeveloped vacant residential properties	1:2	R 0.0268	
3	Business and Commercial properties	1:2	R 0.0268	

4	Undeveloped vacant business and commercial properties	1:2.5	R 0.0335	
5	Industrial properties	1:2.5	R 0.0335	
6	Undeveloped vacant industrial properties	1:3	R 0.0402	
7	Agricultural properties	1:0.25	R 0.0033	
8	Vacant agricultural properties	1:0.25	R 0.0033	
9	State-owned properties	1:2	R 0.0268	
10	Vacant State-owned properties	1:2.5	R 0.0335	
11	Protected areas	1:0	R 0.0000	
12	Municipal properties	1:1	R 0.0134	
13	Public Service Infrastructure	1:0	R 0.0000	
14	Public Benefit Organization Properties	1:0.25	R 0.0033	
15	Servitudes	1:0	R 0.0000	
16	Public monuments and memorials	1:0	R 0.0000	
17	Township title properties	1:0	R 0.0000	
18	State trust land	1:0	R 0.0000	
19	Communal land	1:0	R 0.0000	
20	Exclusive use area used for business purposes	1:2	R 0.0268	
21	Exclusive use area used for residential purposes	1:1	R 0.0134	R 0.0094
22	Exclusive use area used for industrial purposes	1:2.5	R 0.0335	
23	Properties used for multiple purposes	Per use		
24	Place of worship and / or vicarage	1:0	R 0.0000	
25	Mining properties	1:2	R 0.0268	

2. Rates to be levied shall become due and payable in twelve equal installments on fixed days for twelve consecutive months, being on or before the 7th day of every month, following the month in which it has been levied or the due date as per municipal statement, whichever is the earlier;
3. Exemptions, reductions and rebates are granted to certain categories of property usage and/or property owners as defined in the Property Rates Policy. The following categories of property usage and/or property owners as defined in Section 10 of the Municipal Property Rates Policy qualify for exemptions, rebates and reductions:

3.1 Exemptions:

The following categories of property are exempted from rates:-

- (a) The following types of property owned by or vested in the Council are exempt from rates:
 - (i) Public service infrastructure owned by the Council or a service provider, including Public service infrastructure vested in the Council.
 - (ii) Refuse tip sites;
 - (iii) Municipal burial grounds and adjacent public open space within the burial ground precinct and municipal crematoria;
 - (iv) Property used for the provision of public parks and zoned as Public open space and includes undeveloped municipal property which is for the purposes of this Policy deemed to be public open space;
 - (v) Property used for cultural, sporting and recreational facilities other than property subject to a registered lease and
 - (vi) Municipal housing schemes.
- (b) Residential Properties:

In line with Section 17(1)(h) of the Local Government: Municipal Property Rates Act, No. 6 of 2004, on the first R15 000 of the market value of a property assigned in the valuation roll or supplementary valuation roll of a municipality to a category determined by the Council.

3.2 Reductions:

(a) Developed residential properties:

(i) In addition to the impermissible rates as referred to in Section 17(1)(h) of the Act a further R250 000 reduction on the market value of a property will be granted.

(b) Undeveloped vacant residential properties:

(i) A reduction on the first R40 000 of the market value of a property will be granted.

3.3 Rebates:

In terms of section 15 of the Local Government: Municipal Property Rates Act,

(a) Residential Properties:

A rebate of 30% on the cent in the rand amount payable on residential properties will be granted.

(b) Rebates to pensioners, disabled and/or medically unfit as well as owners of poor households in respect of all properties used for residential purposes (Indigent households are addressed in Indigent Policy):-

(i) A rebate based on the gross monthly income may be granted in addition to the rebates mentioned in (a) above to registered owners of residential properties who qualify according to the gross monthly household income of all persons normally residing on that property as highlighted in xiii.

- (ii) To qualify for the rebate a property owner must:
- * Be a natural person;
 - * Be the registered owner of the property;
 - * Occupy the property as his her normal residence on a full time basis;
 - * Complete a prescribed application form obtainable from the Municipality.
 - * Obtain written confirmation from the municipality that such application was successful.
- (iii) The following shall also apply:-
- * If the residence is vacated or the applicant passes away or an applicant reaches the age of 60 during the year, the rebate shall be calculated pro rate as from such date;
 - * Submission of following the documentation as proof:
 - Copy of Identification document;
 - Pension card;
 - Bank statements for last three months or other official financial proof of income as may be requested and
 - Payslip for the last three months;
- (iv) Additional rebates are only applicable to applicants whose municipal accounts are paid in full;
- (v) Medical unfit persons who have not been declared unfit by a pension fund must submit the necessary proof that they have been declared unfit for daily work related activities together with supporting evidence from two registered medical physicians;
- (vi) Disabled persons who have been declared disabled must submit the necessary proof that they have been declared unfit for daily work related activities together with supporting evidence from two registered medical physicians;
- (vii) Applications who meet all the criteria may receive the rebate from date of receipt of the application;
- (viii) The rebate will be valid until the end of the financial year, and applications must be submitted annually;
- (ix) If applicant owns other properties for which a market related

rental or any other non market rental is obtained the rental will form part of the gross monthly household income;

- (x) If the permitted use of a property in this category changes during a financial year, any rebate is forfeited from the date of approval by the Council of such change;
- (xi) Pensioners must be 60 years and older;
- (xii) Additional rebates be suspended if the applicant does not comply with point (ii) to (xi) mentioned above and
- (xiii) The gross monthly household income levels and rebates are set out in the table hereunder (% rebate will be applicable on the monthly rates payable):

Gross monthly household income	% Rate rebate
R0.00 to Indigent threshold	100%
Indigent threshold to R6500.00	80%
More than R6 501.00 to R7500.00	60%
More than R7 501.00 to R8 500.00	40%
More than R8 501.00 to R9500.00	20%
More than R9500.00	0%

(d) Development incentives

The objective of the rates incentive is not only to attract investors who will bring the expertise, funds and the capacity to develop property categories such as residential, business, commercial, industrial, agricultural, educational institutions and others but also to fast track developments identified in the provincial southern corridor regional development plan within the ELM area, create job opportunities, increase the municipal revenue base and make a positive impact.

1. Owners of properties where the conditions to the proclamation have been met and the proclamation notice was published are encouraged to proceed with developments.

1.1 Such property owners wanting to take this opportunity must submit a proper motivation (In writing) to the municipality which should include but not limited to:

* Timeframes

* Cost of development

* How the municipality and community will benefit, etc.

1.2 The particulars of the rates incentive such as the percentage, cent in the rand, etc. will only to be granted once formally approved by the municipality after consideration in terms of the Councils approved Land Development Incentive Policy.

2. Owners of other undeveloped properties (vacant) not mentioned in item 1 above which are in the process of being developed

The following will apply:-

A 50% rate rebate on the cent in the rand amount payable on the property will be applicable if the following criteria are met:-

2.2 All applicants must complete a standard application form obtainable from the Municipality and must declare under oath that:

(i) Building plans have already been submitted to the Municipality for approval but not yet approved due to a delay on the side of the Municipality; or

(ii) Building plans have been approved by the Municipality and construction has already started; or

(iii) Building plans were submitted but development is not possible due to:

* Municipal services not available to commence with development (Water, electricity and sanitation, etc);

* The fact that the Municipality has not yet approved the applications for example re-zoning, township applications, etc.

2.3 Rebates will only be applicable:

(i) If the standard application is approved;

(ii) For a 12 months period where after the applicant must re-apply;

2.4 In the event that the property is sold prior to completion of development the new owner must inform the Municipality and re-apply accordingly;

3. The Municipality reserves the right to refuse or reverse any rebate if the details submitted in the application are incomplete, incorrect, or false.

5. Unregistered erven (Township title properties held in the remainder) shall not be rateable until first registration takes place or a certificate of registered title has been issued by the Registrar of Deeds.

- (e) All application for indigency will be dealt with in accordance to Council's approved indigent policy.
- (f) An owner of a property situated within an area affected by a disaster within the meaning of the Disaster Management Act 2002, (Act 57 of 2002), shall be entitled to an exemption, rebate and/or reduction in rates in respect of such affected property, as determined or recommended by National or Provincial Government and as adopted by the Council.
- (g) On application property owned by a public benefit organization and used for any specified public benefit activity listed in item 1 (welfare and humanitarian), item 2 (health care), and item 4 (education and development) of part 1 of the Ninth Schedule to the Income Tax Act will be granted an rebate on the general rate in line with the latest promulgated rate ratio's (1:0.25).
- (h) On application, owners of agricultural properties (used for bona fide farming purposes) will be granted a rebate on the rate that is in line with the promulgated rate ratio on agricultural properties in line with the latest promulgated rate ratio's (1:0.25).

- (i) On application properties owned and primarily used as premises by a sports club for a *bona fide* sporting activity or activities which entails an activity involving physical exertion and skill in which an individual or team competes against another or others and which sports club is registered / affiliated to the relevant sport association or federation, will be granted a 75% rebate on the cent in the rand amount payable on the property.
- (j) On applications on properties owned by juristic persons that fall under the ambit of the Housing Development Schemes for Retired Persons Act 65 of 1988 will be granted a rebate on the cent in the rand amount payable that is equal to the rate ratio of 1:0.25 as determined by council during the annual budget process. The juristic person must pass the rebate benefit to registered holders of a right of occupation, failing which the council may apply full rating with retrospective effect to the date on which council applied the rebate.
- (k) On application all properties owned by an organization that fall under the ambit of the Non-Profit Organization Act, 71 of 1997 will be granted a rebate on the cent in the rand amount payable on the property that is equal to the rate ratio of 1:0.25 as determined by Council during the annual budget process. Must provide a tax clearance and through their financials show that the profits are used to the benefit of the Organization.
- (l) On application all properties in respect of which an endorsement has been registered in the Deeds Office in terms of Section 4C of the Housing Development Scheme for Retired persons Act, 65 of 1988 or which are registered in terms of Section 18 of the Older Persons Act, 13 of 2006 as a residential facility shall be granted a rebate on the cent in the rand amount payable on that property equal to the rate ratio of 1:0.25, as determined by Council during the annual budget process.

Under no circumstances shall the aggregate of rebates and reductions for which an owner or property qualifies, exceed 75% of the rates payable in

respect of such owner/property, but for the application of rebate and/or reduction, excluding 3.3(c).

4. Interest will be charged per month or part thereof on all arrear assessment rates at the applicable interest rate as approved by Council from time to time.
5. Rates levies be published and communicated as set out in section 21 of the Local Government: Municipal Systems Act, Act No. 32 of 2000, as amended as well as in terms of budget process as set out in Chapter 4 of the Municipal Finance Management Act.
6. Rates levies be promulgated and displayed in line with Section 14 of the Local Government: Municipal Property Rates Act, Act No. 6 of 2004.