



KWAZULU-NATAL PROVINCE  
KWAZULU-NATAL PROVINSIE  
ISIFUNDAZWE SAKWAZULU-NATALI

**Provincial Gazette • Provinsiale Koerant • Igazethi Yesifundazwe**

**GAZETTE EXTRAORDINARY—BUITENGEWONE KOERANT—IGAZETHI EYISIPESHELI**

*(Registered at the post office as a newspaper) • (As 'n nuusblad by die poskantoor geregistreer)  
(Irejistiwee njengephephandaba eposihhovisi)*

**Vol. 8**

**PIETERMARITZBURG,**

18 JULY 2014  
18 JULIE 2014  
18 kuNTULIKAZI 2014

**No. 1188**

**We all have the power to prevent AIDS**



**AIDS  
HELPLINE**

**0800 012 322**

DEPARTMENT OF HEALTH

**Prevention is the cure**

*N.B. The Government Printing Works will not be held responsible for the quality of "Hard Copies" or "Electronic Files" submitted for publication purposes*



**IMPORTANT NOTICE**

The Government Printing Works will not be held responsible for faxed documents not received due to errors on the fax machine or faxes received which are unclear or incomplete. Please be advised that an "OK" slip, received from a fax machine, will not be accepted as proof that documents were received by the GPW for printing. If documents are faxed to the GPW it will be the sender's responsibility to phone and confirm that the documents were received in good order.

Furthermore the Government Printing Works will also not be held responsible for cancellations and amendments which have not been done on original documents received from clients.

---

**CONTENTS**

<i>No.</i>		<i>Page</i>
	<b>MUNICIPAL NOTICE</b>	
102	Local Government: Municipal Systems Act (32/2000) and Local Government: Municipal Property Rates Act (6/2004): uMshwathi Municipality Rates By-laws .....	3

---

---

**MUNICIPAL NOTICE**

---

**No. 102****18 July 2014****uMshwathi Municipality Rates By-Laws**

Be it enacted by the Council of the uMshwathi Municipality, in terms of section 156(2) of the Constitution, 1996, read with section 11(3)(m) of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), and section 6 of the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004), as follows:

1. Definitions
2. Rates policy
3. Principles
4. Categories of property
5. Categories of owners of property
6. Properties used for multiple purposes
7. Differential rating
8. Exemptions
9. Rebates
10. Reductions
11. Property used for agricultural purposes
12. Process for granting exemptions, rebates and reductions
13. Rates increases
14. Short title
15. Commencement

## Definitions

1. In these by-laws, unless the context indicates otherwise –

**“agricultural purpose”**, in relation to the use of a property, excludes the use of a property for the purpose of ecotourism or for the trading in or hunting of game;

**“annually”** means once every financial year;

**“category”** –

(a) in relation to property, means a category of property determined in terms of section 4 of these by-laws;

(b) in relation to owners of property, means a category of owners of property determined in terms of section 5 of these by-laws;

**“exemption”**, in relation to the payment of a rate, means an exemption granted in terms of section 8 of these by-laws;

**“land tenure right”** means an old order right or a new order right as defined in section 1 of the Communal Land Rights Act, 2004 (Act No. # of 2004);

**“multiple purposes”**, in relation to property, means the use of property for more than one purpose;

**“municipal council”** or **“council”** means a municipal council referred to in section 18 of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);

**“municipality”** means the uMshwathi Municipality established in terms of section 155(6) of the Constitution, 1996, and established by and under section 11 and 12 of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998), read with sections 3, 4 and 5 of the KwaZulu-Natal Determination of Types of Municipality Act, 2000 (Act No. 7 of 2000).

**“owner”** –

(a) in relation to 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;

(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 these By-laws be regarded by the municipality as the owner of the 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 property in a deceased estate;
- (iii) a trustee or liquidator, in the case of property in an insolvent estate or in liquidation;
- (iv) a judicial manager, in the case of property in the estate of a person under judicial management;
- (v) a curator, in the case of property in the estate of a person under curatorship;
- (vi) a usufructuary or other person in whose name a usufruct or other personal servitude is registered, in the case of 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 the municipality and is leased by it; 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 property, means the limited purposes for which the property may be used in terms of –

(a) any restriction imposed by –

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

**“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
- (d) 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 National Environmental: Protected Areas Act, 2003 (Act No. 57 of 2003);

**“public benefits organization”** means an organization conducting specified public benefit activities as defined in the Act and registered in terms of the Income Tax Act, 1962 (Act No. 58 of 1962) for a tax reduction because of those activities;

**“publicly controlled”** means owned 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 Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);

**“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 the 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 or aprons at national or provincial airports;
- (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 navigation 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) rights of way, easements or servitudes in connection with infrastructure mention in paragraphs (a) to (i).

**“rate”** means a municipal rate on property envisaged in section 229(1)(a) of the Constitution, 1996;

**“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;

**“rebate”**, in relation to a rate payable on property, means a discount in the amount of the rate payable on the property granted in terms of section 9 of these by-laws;

**“reduction”**, in relation to a rate payable on property, means the lowering of the amount for which the property was valued and the rating of the property at that lower amount granted in terms of section 10 of these by-laws;

**“residential property”** means property included in a valuation roll in terms of section 48(2) of the Act as residential;

**“sectional title scheme”** means a scheme as defined in section 1 of the Sectional Titles Act;

**“sectional title unit”** means a unit as defined in section 1 of the Sectional Titles Act

**“specified public benefit activity”** means an 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, 1962 (Act No. 58 of 1962);

**“the Communal Land Rights Act”** means the Communal Land Rights Act, 2004 (Act No. 11 of 2004);

“the Communal Property Associations Act” means the Communal Property Associations Act, 1996 (Act No. 28 of 1996);

“the Provision of Land and Assistance” means the Provision of Land and Assistance Act, 1993 (Act No. 126 of 1993);

“the Restitution of Land Rights Act” means the Restitution of Land Rights Act, 1994 (Act No. 22 of 1994);

“the Sectional Titles Act” means the Sectional Titles Act, 1986 (Act No. 95 of 1986);

“the Act” means the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004);

“vacant land” means land on which no immovable improvements have been erected.

### **Rates Policy**

2.(1) The municipal council must, by resolution, adopt a policy on the levying of rates on rateable property in the municipality.

(2) The rates policy adopted by the municipal council in terms of section 2(1) must comply with the provisions of the Act.

(3) The municipality must levy rates in accordance with the Act; these by-laws; and the rates policy adopted by the municipal council in terms of section 2(1).

### **Principles**

3. The rates policy adopted by the municipal council must comply with the following principles –

(a) All ratepayers within a specific category, as determined by the municipal council from time-to-time, must be treated equitably.

(b) A fair and transparent system of exemptions, rebates and reductions must be adopted and implemented by the municipality.

(c) Relief measures in respect of the payment of rates may not be granted on an individual basis, other than by way of exemption, rebate or reduction.

(d) Exemptions, rebates and reductions must be used to alleviate the rates burden on –

(i) the poor;

(ii) public benefit organizations; and

(iii) public service infrastructure.

(e) Provision must be made for the promotion of local, social and economic development;

### **Categories of Property**

4.(1) For the purpose of levying different rates on different categories of property, the municipal council must –

(a) determine different categories of property; or

(b) provide criteria for determining different categories of property.

- (2) The different categories of property determined by the municipal council in terms of section 4(1)(a); or the criteria for determining different categories of property provided by the municipal council in terms of section 4(1)(b) must be specified in the rates policy adopted by the municipal council in terms of section 2(1). (3) The different categories of property determined by the municipal council in terms of section 4(1)a) may include, but are not limited, to those set out below –
- (a) residential properties;
  - (b) industrial properties;
  - (c) commercial properties;
  - (d) farm properties used for agricultural purposes;
  - (e) farm properties used for commercial purposes;
  - (f) farm properties used for residential purposes;
  - (g) farm properties used for any other purpose;
  - (h) farm properties not used for any purpose;
  - (i) state-owned properties:
    - (i) state properties that provide local services;
    - (ii) state properties that provide district services;
    - (iii) state properties that provide metropolitan services;
    - (iv) state properties that provide provincial services; or
    - (v) state properties that provide national services;
  - (j) municipal properties;
  - (k) public service infrastructure;
  - (l) privately owned towns;
  - (m) formal and informal settlements;
  - (n) communal land as defined in the Communal Land Rights Act;
  - (o) state trust land;
  - (p) property acquired in terms of the Provision of Land and Assistance Act;
  - (q) property acquired in terms of the Restitution of Land Rights Act;
  - (r) property subject to the Communal Property Associations Act;
  - (s) protected areas;
  - (t) national monuments;
  - (u) property used for a specified public benefit activities
  - (v) multiple-use properties;
  - (w) vacant land; or

- (4) The criteria for determining different categories of property provided by the municipal council in terms of section 4(1)(b) may include, but are not limited, to those set out below –
- (a) the actual use of the property;
  - (b) the permitted use of the property;
  - (c) the size of the property;
  - (d) the geographical area in which the property is located; or

### **Categories of Owner**

- 5.(1) For the purpose of levying rates on different categories of property or for the purpose of granting exemptions, rebates or reductions, the municipal council must –
- (a) determine different categories of owners of property; or
  - (b) provide criteria for determining different categories of owners of property.



(2) The different categories of owners of property determined by the municipal council or the criteria for determining different categories of owners of property provided by the municipal council must be specified in the rates policy adopted by the municipal council in terms of section 2(1).

(3) The different categories of owners of property determined by the municipal council in terms of section 5(1)(a) may include, but are not limited, to the following categories –

- (a) indigent owners;
- (b) owners dependent on pensions or social grants for their livelihood;
- (c) owners temporarily without an income;
- (d) owners of property situated within an area affected by a disaster or any other serious adverse social or economic condition;
- (e) owners of residential property whose market value is below the amount indicated in the municipality's rates policy before the first R15 000 mandatory exclusion;
- (f) owners of agricultural property who are *bona fide* farmers; or

(4) The criteria for determining different categories of owners of property provided by the municipal council in terms of section 5(1)(b) may include, but are not limited, to the following criteria –

- (a) income of the owner of the property;
- (b) source of income of the owner of the property;
- (c) occupation of the owner of the property;;
- (d) market value of the property;
- (e) use of the property;
- (f) disasters or any other serious adverse social or economic condition; or

### **Multiple-use Properties**

6.(1) The municipal council must determine the criteria in terms of which multiple-use properties must be rated.

(2) The criteria determined by the municipal council in terms of section 6(1) must be specified in the rates policy adopted by the municipal council in terms of section 2(1).

(3) The criteria determined by the municipal council in terms of section 6(1) must be either –

- (a) the permitted use of the property;
- (b) the dominant use of the property; or
- (c) the multiple-uses of the property

(4) If the criterion set out in section 3(c) is adopted by the municipal council, the rates levied on multiple-use properties must be determined –

- (a) by apportioning the market value of such a property to the different purposes for which the property is used; and
- (b) by applying the relevant cent amount in the rand to the corresponding apportioned market value.

### **Differential Rating**

7.(1) Subject to and in conformity with the Act, the municipality may levy different rates on different categories of property.

(2) If the municipality chooses to levy different rates on different categories of property, it must exercise this power in accordance with the criteria determined by the municipal council in terms of section 3(3)(b)(i) of the Act.

(3) The criteria determined by the municipal council in terms of section 3(3)(b)(i) of the Act must be specified in the rates policy adopted by the municipal council in terms of section 2(1).

(4) The criteria which must be determined by the municipal council in terms of section 3(3)(b)(i) of the Act may include, but are not limited, to those set out below –

- (a) the nature of the property;
- (b) the sensitivity of the property to rating;
- (c) the extent to which the property has been developed;
- (d) the promotion of social and economic development; or

(5) If the municipal council chooses to levy different rates on different categories of property, it must determine the method in terms of which different rates will be levied against different categories of property.

(6) The method determined by the municipal council in terms of section 7(5) must be based on one of the methods set out below –

- (a) setting a different cent amount in the Rand for each category of property;
- (b) granting rebates for different categories of property; or
- (c) granting reductions for different categories of property.

(7) The method determined by the municipal council in terms of section 7(5) and (6) must be specified in the rates policy adopted by the municipal council in terms of section 2(1).

## **Exemptions**

**8.(1)** Subject to and in conformity with the Act, the municipality may exempt –

- (a) the owners of any specific category of property; and/or
  - (b) any specific category of owners of property,
- from the payment of rates.

(2) If the municipality chooses to exempt the owners of any specific category of property or any specific category of owners of property from the payment of rates, it must exercise this power in accordance with the criteria determined by the municipal council in terms of section 3(3)(b)(ii) of the Act.

(3) The criteria determined by the municipal council in terms of section 3(3)(b)(ii) of the Act must be specified in the rates policy adopted by the municipal council in terms of section 2(1).

(4) The criteria which must be determined by the municipal council in terms of section 3(3)(b)(ii) of the Act may include, but are not limited, to those set out below –

- (a) age of the owner of the property;
- (b) income of the owner of the property;
- (c) source of the income of the owner of the property;

- (d) economic, physical and social condition of the property;
- (e) public service infrastructure;
- (f) property used for specified public benefit activities;
- (g) market value of the property; or

#### **Rebates**

9.(1) Subject to and in conformity with the Act, the municipality may grant a rebate –

- (a) to the owners of any specific category of property; and/or
- (b) to any specific category of owners of property,

on the rate payable in respect of their properties.

(2) If the municipality chooses to grant a rebate to a specific category of property or to a specific category of owners of property from the payment of rates, it must exercise this power in accordance with the criteria determined by the municipal council in terms of section 3(3)(b)(iii) of the Act.

(3) The criteria determined by the municipal council in terms of section 3(3)(b)(iii) of the Act must be specified in the rates policy adopted by the municipal council in terms of section 2(1).

(4) The criteria which must be determined by the municipal council in terms of section 3(3)(b)(iii) of the Act may include, but are not limited, to those set out below –

- (a) age of the owner of the property;
- (b) physical health of the owner of the property;
- (c) nature of the property;
- (d) ownership of the property;
- (e) market value of the property;
- (f) property used for the following specified public benefit activities:
  - (i) welfare,
  - (ii) health care, or
  - (iii) education;
- (g) extent to which municipal services are provided to the property;
- (h) extent to which the property contributes to local, social and economic development; or

#### **Reductions**

10.(1) Subject to and in conformity with the Act, the municipality may grant a reduction:

- (a) to the owners of any specific category of property; and/or
- (b) to any specific category of owners of property,

in the rate payable in respect of their properties.

(2) If the municipality chooses to grant a reduction to a specific category of property or to a specific category of owners of property from the payment of rates, it must exercise this power in accordance with the criteria determined by the municipal council in terms of section 3(3)(b)(iii) of the Act.

(3) The criteria determined by the municipal council in terms of section 3(3)(b)(iii) of the Act must be specified in the rates policy adopted by the municipal council in terms of section 2(1).

(4) The criteria which must be determined by the municipal council in terms of section 3(3)(b)(iii) of the Act may include, but are not limited, to those set out below –

- (a) fire;
- (b) floods;
- (c) lightning;
- (d) storms;
- (e) other artificial or natural disasters; or

#### **Property used for agricultural purposes**

11. When considering the criteria to be applied in respect of any exemptions, rebates or reductions on properties used for agricultural purposes, the criteria listed below must be taken into account –

- (a) the extent of services provided by the municipality in respect of such properties;
- (b) the contribution of agriculture to the local economy;
- (c) the extent to which agriculture assists in meeting the service delivery and development obligations of the municipality; and
- (d) the contribution of agriculture to the social and economic welfare of farm workers.

#### **Process for granting exemptions, rebates and reductions**

12.(1) Applications for exemptions, rebates and reductions must be made in accordance with the procedures determined by the municipal council.

(2) The procedures determined by the municipal council in terms of section 12(1) must be specified in the rates policy adopted by the municipal council in terms of section 2(1).

(3) The municipality retains the right to refuse an application for an exemption, rebate or reduction if the details supplied in support of such an application are incomplete, incorrect or false.

#### **Rates increases**

13.(1) Subject to and in conformity with the Act, the municipality may increase the rates it levies on property in the municipality.

(2) If the municipality chooses to increase the rates it levies on properties in the municipality, it must exercise this power in accordance with the criteria determined by the municipal council in terms of section 3(3)(b)(iv) of the Act.

(3) The criteria determined by the municipal council in terms of section 3(3)(b)(iv) of the Act must be specified in the rates policy adopted by the municipal council in terms of section 2(1).

(4) The criteria which must be determined by the municipal council in terms of section 3(3)(b)(iv) of the Act may include, but are not limited, to those set out below –

- (a) priorities of the municipality reflected in its Integrated Development Plan;
- (b) the revenue needs of the municipality;
- (c) the need for the management of rates shocks;
- (d) affordability of rates to ratepayers; or

**Short title**

14. These by-laws will be called the uMshwathi Municipality Rates By-Laws, 2014/15

**Commencement**

15. These by-laws come into force and effect on 01 July 2014

---





**NOTICE – CHANGE OF TELEPHONE NUMBERS: GOVERNMENT PRINTING WORKS**

As the mandated government security printer, providing world class security products and services, Government Printing Works has adopted some of the highly innovative technologies to best serve its customers and stakeholders. In line with this task, Government Printing Works has implemented a new telephony system to ensure most effective communication and accessibility. As a result of this development, our telephone numbers will change with effect from 3 February 2014, starting with the Pretoria offices.

The new numbers are as follows:

- Switchboard : 012 748 6001/6002
- Advertising : 012 748 6205/6206/6207/6208/6209/6210/6211/6212
- Publications Enquiries : 012 748 6052/6053/6058 [GeneralEnquiries@gpw.gov.za](mailto:GeneralEnquiries@gpw.gov.za)
  - Maps : 012 748 6061/6065 [BookShop@gpw.gov.za](mailto:BookShop@gpw.gov.za)
  - Debtors : 012 748 6060/6056/6064 [PublicationsDebtors@gpw.gov.za](mailto:PublicationsDebtors@gpw.gov.za)
  - Subscription : 012 748 6054/6055/6057 [Subscriptions@gpw.gov.za](mailto:Subscriptions@gpw.gov.za)
- SCM : 012 748 6380/6373/6218
- Debtors : 012 748 6236/6242
- Creditors : 012 748 6246/6274

Please consult our website at [www.gpwonline.co.za](http://www.gpwonline.co.za) for more contact details.

The numbers for our provincial offices in Polokwane, East London and Mmabatho will not change at this stage.