

**NORTH WEST
NOORDWES**

**EXTRAORDINARY
PROVINCIAL GAZETTE**

**BUITENGEWONE
PROVINSIALE KOERANT**

Vol. 252

24 JUNE 2009
24 JUNIE

No. 6652

CONTENTS • INHOUD

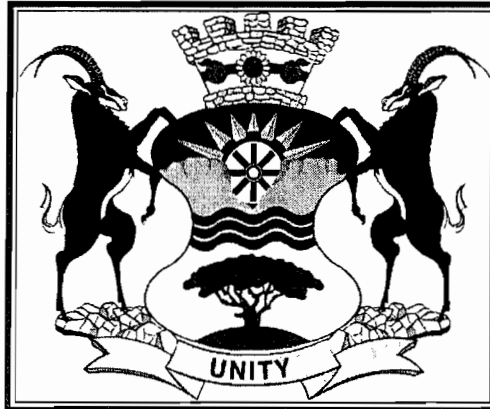
<i>No.</i>	<i>Page No.</i>	<i>Gazette No.</i>
LOCAL AUTHORITY NOTICE		
206 Local Government: Municipal Systems Act (32/2000): Rustenburg Local Municipality: Municipal Property Rates By-Law	3	6652

LOCAL AUTHORITY NOTICE

LOCAL AUTHORITY NOTICE 206

RUSTENBURG

LOCAL MUNICIPALITY / PLAASLIKE MUNISIPALITEIT / LEKGOTLHA LA MOTSE



MUNICIPAL PROPERTY RATES BY-LAW

The Municipal Manager of Rustenburg Local Municipality hereby publishes in terms of Section 13 of the Local Government: Municipal Systems Act (Act 32 of 2000) and Section 162 of the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996), the Rustenburg Local Municipality: Property rates By-law as contemplated hereunder and approved by the said Council. The said By-law will become effective and remain in force with effect from 1 July 2009.

PURPOSE OF THE BY-LAW

To regulate the power of a municipality to impose rates on property; to exclude certain properties from rating in the national interest; to make provision for municipalities to implement a transparent and fair system of exemptions, reductions and rebates through their rating policies; to make provision for fair and equitable valuation methods of properties; to make provisions for objections and appeals process; to amend the Local Government: Municipal System Act, 2000 so as to make further provision for the serving of documents by municipalities; to amend or repeal certain legislation and to provide for matters connected therewith.

I N D E X

	Page
1. DEFINITIONS.....	4
2. LEGISLATIVE BACKGROUND.....	5
3. POLICY PRINCIPLES	5
4. OBJECTIVES.....	6
5. DATE OF IMPLEMENTATION	7
6. COMMUNITY PARTICIPATION	
7. PERIODS FOR WHICH RATES MAY BE LEVIED.....	8
8. COMMENCEMENT OF RATES.....	8
9. BY-LAWS TO GIVE EFFECT TO THE RATES POLICY.....	8
10. IMPOSITION OF RATES	8
11. DIFFERENTIAL RATES	9
12. CATEGORIES OF PROPERTY FOR LEVYING OF DIFFERENTIAL RATES	9
13. CLARIFICATION OF CATEGORIES OF PROPERTY	10
14. PHASING IN OF CERTAIN RATES	13
15. SPECIAL RATING AREAS.....	13
16. CATEGORIES OF OWNERSHIP FOR PURPOSES OF EXEMPTIONS, REDUCTIONS AND REBATES.....	14
17. ADDITIONAL CONDITIONS ATTACHED TO EXEMPTIONS, REBATES AND REDUCTIONS.....	15
18. CRITERIA FOR REBATES FOR CATEGORIES OF OWNERSHIP SPECIFIED IN ITEMS 17.....	16
19. CERTIFICATE OF OCCUPANCY.....	18
20. LIABILITY FOR AND RECOVERY OF RATES.....	18
21. GENERAL VALUATION OF RATEABLE PROPERTY.....	19

22. METHOD AND TIME OF PAYMENT19

23. RECOVERY OF RATES IN ARREAR19

24. ILLEGAL USE OF A PROPERTY19

25. LIABILITY FOR RATES20

26. DEALING WITH APPLICATIONS IN TERMS OF THE BY-LAW21

27. INSPECTION OF AND OBJECTION TO AN ENTRY IN THE VALUATION ROLL.....21

28. OBJECTIONS MUST BE IN RELATION TO A SPECIFIC PROPERTY.....21

29. REGISTER OF PROPERTIES.....21

30. PROPERTY RATES PAYABLE BY OWNERS21

31. CONCLUSION22

MUNICIPAL PROPERTY RATES BY-LAW**1. DEFINITIONS**

In this By-law any word or expression to which a meaning has been assigned in the Act bears that meaning unless the context otherwise indicates and, unless the context otherwise indicates-

- 1.1. "Consent use" means the purpose for which land may lawfully be used and on which buildings may be erected and used only with the consent of the Council
- 1.2. "Council" means –
 - 1.2.1. The Local Municipality of Rustenburg exercising its legislative and executive authority through its municipal Council; or
 - 1.2.2. Its successor in title; or
 - 1.2.3. A structure or person exercising a delegated power or carrying out an instruction, where any power in this policy has been delegated or sub-delegated, or an instruction given, as contemplated in section 59 of the Systems Act,
 - 1.2.4. In respect of ownership of property, rateability and liability for rates, a service provider fulfilling a responsibility assigned to it,
 - 1.2.5. Through a service delivery agreement in terms of section 81(2) of the Systems Act or any other law, as the case may be;
- 1.3. "Financial year" means any period commencing on 1 July of a calendar year and ending on 30 June of the next succeeding calendar year;
- 1.4. "Municipal property" means property owned, vested or under the control and management of the Council or it's service provider in terms of any applicable legislation;
- 1.5. "Ratepayer" means any owner of rateable property as well as any owner of a rateable property held under sectional title, situate within the area of jurisdiction of the Council;
- 1.6. "School" means a school as defined in the South African Schools Act, Act 84 of 1996;
- 1.7. "Service provider" means a service provider contemplated in paragraph (d) of the definition of "Council";
- 1.8. "State" means the National Government and the North West Provincial Government;
- 1.9. "Systems Act" means the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);

- 1.10. "The Act" means the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004);
- 1.11. "technical and other colleges" means a public college and a private college as contemplated in the Further Education and Training Colleges Act, 2006 (Act No. 16 of 2006);
- 1.12. "University" means any university and technikon as defined in section 1 of the Higher Education Act, 1997 (Act No. 101 of 1997);
- 1.13. "zoning" means the purpose for which land may lawfully be used or on which buildings may be erected or used, or both, as contained in an applicable town planning scheme and "zoned " has a corresponding meaning.
- 1.14. Any word or expression –
 - 1.14.1. Imparting any gender or the neuter includes both genders and the neuter, or
 - 1.14.2. Imparting the singular only also includes the plural and vice versa, unless the context otherwise indicates.

2. LEGISLATIVE BACKGROUND

In applying the rates policy Council has considered the following legislation:

- 2.1. The Constitution of the Republic of South Africa;
- 2.2. Local Government: Municipal Property Rates Act, Act no 6 of 2004;
- 2.3. Local Government: Municipal Finance Management Act, Act no.56 of 2003;
- 2.4. Local Government: Municipal Systems Act, Act no. 32 of 2000; and
- 2.5. Local Government: Municipal Structures Act, Act no 117 of 1998.
- 2.6. Where this policy contradicts legislation, such legislation has preference over this policy.

3. BY-LAW PRINCIPLES

- 3.1. Rates are levied in accordance with the Act as an amount in the Rand based on the market value of all rateable property contained in the municipality's valuation roll and supplementary valuation roll
- 3.2. As allowed by the Act the municipality has chosen to differentiate between various categories of owners of property. Some categories of property and categories of owners are granted relief from rates. The municipality does not grant relief in respect of payments for rates to any

category of owners of property, or to owners of property on an individual basis, other than by way of an exemption, rebate or reduction provided for in this by-law.

3.3. Phasing in of rates will be based on the new valuation roll and in terms of Section 21 of the Act.

3.4. The following principles form the cornerstones of the rates by-law:

3.4.1. **Equity:**

The municipality will treat all persons with similar properties the same

3.4.2. **Affordability**

The municipality will take into account the ability of a person to pay rates. The municipality will provide relief, measures through exemptions, rebates and reductions in dealing with the poor.

3.4.3. **Sustainability**

Rating of property will be implemented in a way that:

- Supports sustainable local government by providing a stable and buoyant revenue source within the discretionary control of the municipality; and
- Supports local and social economic development

3.4.4. **Cost efficiency**

Rates will be based on the value of all rateable properties and the amount required by the municipality to balance the operating budget after taking into account profits generated on water and electricity, refuse removal and sewerage removal and the amounts required to finance exemptions, rebates, reductions and phasing in of rates as approved by the municipality from time to time.

4. **OBJECTIVES**

The key objectives of the by-law are to –

- 4.1. Ensure that all owners of rateable property are informed about their liability for rates;
- 4.2. Specify relief measures for ratepayers who may qualify for relief or partial relief in respect of the payment of rates through exemptions, reductions and rebates as contemplated in section 15 of the Act;
- 4.3. Empower the Council to specify a threshold in excess of that contemplated in section 15(1)(a) of the Act at which rating in respect of residential properties may commence, which it is hereby authorised to do;

- 4.4. Set out the criteria to be applied by the Council if it –
 - 4.4.1. Increases rates; and
 - 4.4.2. Levies differential rates on different categories of property;
- 4.5. Provide for categories of public benefit organisations, approved in terms of section 30(1) of the Income Tax Act, 1962 (Act No. 58 of 1962) as amended, which are ratepayers, and may apply to the Council for relief from rates;
- 4.6. Recognise the State, organs of state and the owners of public service infrastructure as property owners;
- 4.7. Encourage the development of property; and
- 4.8. Ensure that all persons liable for rates are treated equitably as required by the Act.
 - 4.8.1. Provide that any rebate contemplated in this by-law is to benefit the owner in occupation of the property.

5. DATE OF IMPLEMENTATION

This by-law is to be implemented with effect from 1 July 2009.

6. COMMUNITY PARTICIPATION

Council shall follow a process of community participation in accordance with Chapter 4 of the Municipal Systems Act prior to the adoption of this by-law.

- 6.1. The Municipal Manager shall:
 - 6.1.1. Conspicuously display the draft rates by-law for a period of at least 30 days at the Municipal's head and satellite offices and libraries and website if any; and
 - 6.1.2. Advertise in the media a notice stating that a draft rates by-law has been prepared for submission to the Council and that such by-law is available at the various municipal offices for public inspection and is also available on the website if any, and inviting the local community to submit comments and representations to the Municipality within a period specified in the notice, but which period shall not be less than 30 days.
- 6.2. Council will take all comments and representations made to it or received by it into account when considering the draft rates policy.
- 6.3. The rates by-law will have no force and effects if there is no community participation in adopting this by-law.

7. PERIODS FOR WHICH RATES MAY BE LEVIED

- 7.1. Rates must be levied for a financial year and will lapse at the end of the financial year for which it was levied.
- 7.2. The levying of rates must form part of Council's annual budget process and Council must therefore annually, at the time of its budget, review the amount in the rand of the current rates in line with the annual budget for the next financial year.

8. COMMENCEMENT OF RATES

- 8.1. A rate become payable:-
- 8.1.1. From the start of the particular financial year; or
- 8.1.2. In the event that the Council's annual budget is not approved by the start of the financial year, as from such later date when the Council's annual budget, including the resolution levying rates, is approved by the Provincial executive in terms of section 26 of the Municipal Finance Management Act.

9. BY-LAWS TO GIVE EFFECT TO THE RATES POLICY

Council shall adopt by-laws in order to give effect to its rates by-law immediately after adoption of the by-law itself. The by-law shall remain valid until amended.

10. IMPOSITION OF RATES

- 10.1. Council may levy a rate on property in its municipal area.
In terms of section 7 of the Property Rates Act rates will not be levied on:-
- 10.1.1. Properties of which the municipality is the owner; and
- 10.1.2. Properties in respect of which it is impossible or unreasonably difficult to establish a market value because of legally insecure tenure attributable to past racially discriminatory laws or practices.
- 10.2. Council must exercise its power to levy rate on a property subject to section 229 and any other applicable provisions of the constitution, the provisions of the Property Rates Act and this rates by-law.
- 10.3. Council shall as part of each annual operating budget component impose an amount in the Rand on the market value of all rateable property as recorded in the Municipality's valuation roll

and supplementary valuation roll. Rateable property shall include any rights registered against such property with the exemption of a mortgage bond.

- 10.4. Council shall, in imposing the rate for each financial year, take cognizance of the aggregate burden of rates and services charges on representative property owners in the various categories of property ownership, and of the extent to which this burden is or remains competitive with the comparable burden in other Municipalities within the local economic growth.
- 10.5. Council will exercise all effort to ensure that the rates income base and the collectability of all outstanding rates revenue is sound.

11. DIFFERENTIAL RATES

- 11.1. In terms of section 8 of the Act differential rates may be levied according to the permitted use or actual use where applicable of the property concerned as well as the geographical area in which the property is situated. The criteria to be taken into account in determining whether differential rates should be applied, are the following:
 - 11.1.1. The need to promote economic development;
 - 11.1.2. Any administrative advantages in applying a differential rate; and
 - 11.1.3. The need to alleviate the rates burden on the owners of any particular category of property
- 11.2. Rates are levied in accordance with the Act as an amount in the Rand based on the market value of all rateable property as reflected in the valuation roll and any supplementary valuation roll, as contemplated in Chapters 6 and 8, respectively, of the Act.

12. CATEGORIES OF PROPERTY FOR LEVYING OF DIFFERENTIAL RATES

Referring to the levying differential rates based on the permitted use of properties in terms of section 8(1)(b), read with 3(3)(b) and 3(3)(c) of the Act, the following categories of property are determined:

- 12.1. Business, commercial and industrial;
- 12.2. Residential property;
- 12.3. Residential sectional title;
- 12.4. Residential property with consent use;
- 12.5. Bed and Breakfast facilities and Guest Houses

- 12.6. Municipal property: not rateable;
- 12.7. Municipal property: rateable;
- 12.8. Property owned by the State or an organ of state;
- 12.9. Farming land used for bona fide farming;
- 12.10. Public service infrastructure;
- 12.11. Public benefit organisations;
- 12.12. Property used for multiple purposes;
- 12.12.1. Agricultural small holdings used for multiple purposes;
- 12.13. Agricultural holdings used for agricultural purposes;
- 12.14. Vacant land irrespective of zoning;
- 12.15. Mining property;
- 12.16. Education;
- 12.17. Religious;
- 12.18. Special;
- 12.19. Private open space; and
- 12.20. Protected areas

13. CLARIFICATION OF CATEGORIES OF PROPERTY

The categories of property specified in item 12 are further circumscribed as follows:

- 13.1. **Business, commercial and industrial property** in this category includes –
 - 13.1.1. Property zoned for business, commercial or industrial purposes;
- 13.2. **Residential Property** in this category includes -
 - 13.2.1. Property zoned and used for residential purposes
 - 13.2.2. Residential sectional title
 - 13.2.3. Residential – consent use
- 13.3. **Bed and Breakfast facilities and Guest Houses** in this category include –
 - 13.3.1. Residential dwellings where bed and breakfast facilities are made available for overnight travellers; and
- 13.4. **Municipal property: not rateable** in this category includes -

- 13.4.1. Public service infrastructure owned by the Council or a service provider, including Public service infrastructure vested in the Council by virtue of the provisions of Section 63 of the Local Government Ordinance, Ordinance 17 of 1939) as amended;
- 13.4.2. Refuse tip sites;
- 13.4.3. Municipal burial grounds and adjacent public open space within the burial ground precinct and municipal crematoria;
- 13.4.4. 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 by-law deemed to be public open space;
- 13.4.5. Property used for culture, sporting and recreational facilities other than property subject to a registered lease in terms of the Formalities in respect of Leases of Land Act, 1969 (Act No. 18 of 1969), in which case the area subject to the lease is separately rated;
- 13.4.6. Municipal housing schemes;
- 13.5. *Municipal property: rateable*** in this category includes -
 - 13.5.1. Property leased to third parties in terms of a lease registered in terms of the Formalities in respect of Leases of Land Act, 1969; and
 - 13.5.2. Municipal property used for other purposes.
- 13.6. *Properties owned by the State or an organ of state*** – in this category includes -
 - 13.6.1. Property owned by the State or an organ of state; and
 - 13.6.2. If property owned by the State or an organ of state is zoned for the provision of residential accommodation, the rates must, after presentation of a certificate of occupancy, be levied in terms of the residential tariff.
- 13.7. *Farming property*** – in this category includes -
 - 13.7.1. Property used for bona fide agricultural purposes with the property owner deriving his principal source of income from the produce of the land; and
- 13.8 *Public service infrastructure***
All Property falling within this category is not rated;
- 13.9 *Public benefit organisations*** – in this category includes –
 - 13.9.1 Health Care Institutions
 - 13.9.2 Welfare Institutions
 - 13.9.3 Charitable Institutions

13.10 Property used for multiple purposes – in this category includes -

Properties with more than one identified major usage where the market value was determined by the apportionment of the property to the different purposes for which it's used;

The rating on these properties will be by applying the relevant cent amount in the Rand to the corresponding apportioned market value.

13.11 Agricultural holdings – in this category includes –

13.11.1 Agricultural small holdings used mainly for residential purposes;

13.11.2 Agricultural small holdings used mainly for business or commercial purposes;

13.11.3 Agricultural small holdings used mainly for residential AND business or commercial purposes;

13.11.4 Agricultural holdings used for agricultural purposes;

13.11.5 Agricultural small holdings used for agricultural, residential and business or commercial.

Agricultural holdings are rated according to the actual use thereof.

13.12 Vacant land – in this category includes –

13.12.1.1 Land without a zoning;

Any undeveloped land within a proclaimed township or a land development area contemplated in the Development Facilitation Act, 1995 (Act No. 67 of 1995), not transferred by a developer or an applicant under that Act.

The tariff applicable to vacant land will take precedence over the tariff applicable to the property category where such land is vacant.

13.13 Special – in this category includes -

Land zoned as Special with no determined use.

This land will be rated at the tariff applicable to the business, commercial and industrial category.

13.14 Mining property – in this category includes -

Property used for mining purposes or purposes incidental to mining operations

13.15 Education – in this category includes -

Property owned by educational institutions that are registered with S A Revenue Services in terms of Section 30 of the Income Tax Act 58 of 1962 that provide education and development services as contemplated in Item 4 of the ninth schedule to that Act.

13.16 Religious – in this category includes -

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.

14 PHASING IN OF CERTAIN RATES

14.11 The rates to be levied on newly rateable property shall be phased in over a period of three financial years, subject to subsection (5) of the Municipal Property Rates Act, Act 6 of 2004.

14.12 The rates to be levied on newly rateable property belonging to a land reform beneficiary or his or her heirs, shall be phased in over a period of three financial years, which three years shall commence after the exclusion period of ten years following the date on which the title was registered in the name of the beneficiary or his/her heirs at the Registrar of Deeds, has lapsed

14.13 The rate levied on newly rateable property owned and used by organisations conducting specified public benefit activities and registered in terms of the Income Tax Act for those activities, shall be phased in equally over a period of four financial years.

14.14 The *phasing-in discount* on the above mentioned properties shall be as follows:

14.14.1 First year : 75% of the rate applicable to the property;

14.14.2 Second year : 50% of the rate applicable to the property; and

14.14.3 Third year : 25% of the rate applicable to the property.

14.15 No rates shall be levied on newly rateable properties that are owned and used by organisations conducting activities that are beneficial to the public and that are registered in terms of the Income Tax Act for those activities, during the first year.

15 SPECIAL RATING AREAS

15.11 The municipality will, whenever deemed necessary, by means of a formal Council resolution determine special rating areas in consultation with the relevant communities as provided for in section 22 of the Act

15.12 The following matters shall be attended to whenever special rating is being considered:-

15.12.1 Proposed boundaries of the special rating area;

15.12.2 Statistical data of the area concerned giving a comprehensive picture of the number of stands with its zoning, services being rendered and detail of services such as capacity, number of vacant stands and services that are not rendered;

- 15.12.3 Proposed improvements clearly indicating the estimated costs of each individual improvement;
- 15.12.4 Proposed financing of the improvements or projects; Priority of projects if more than one;
- 15.12.5 Social economic factors of the relevant community;
- 15.12.6 Different categories of property;
- 15.12.7 Details regarding the implementation of the special rating; and
- 15.12.8 The additional income that will be generated by means of this special rating.

16 CATEGORIES OF OWNERSHIP FOR PURPOSES OF EXEMPTIONS, REDUCTIONS AND REBATES

The following categories of ownership are determined for purposes of exemptions, reductions and rebates:

- 16.11 An amount equal to the market value of RDP Housing on residential properties and properties used for multiple purposes of which one or more components is used for residential purposes, where, in the case of residential properties, the properties referred to shall be vacant or improved properties and shall be zoned as residential and where, in the case of properties used for multiple purposes and of which one or more components is used An amount in the Rand equal to the value of RDP Housing shall be applicable to the property as a whole, provided that one or more components of the property are used for residential purposes.
- 16.12 Persons who own and occupy residential property and who have limited income and who are not pensioners, but can show that his or her annual income falls below the limit determined by Council from time to time
- 16.13 Persons who own and occupy residential property who are dependent on a State social security grant in terms of the Social Assistance Act, 1992 (Act No. 59 of 1992) as their *sole* source of income;
- 16.14 Pensioners who have reached the age of 60 and who own and occupy residential property who are not persons contemplated in paragraph 10.2, if the total income of the household does not exceed the limits determined by Council from time to time;
- 16.15 Organisations which in the opinion of and to the satisfaction of the Council, care for the aged, and own property that is used for such purpose;
- 16.16 Institutions which own property and provide education and / or student accommodation at –
 - 16.16.1 Public schools;
 - 16.16.2 Independent schools;

- 16.16.3 Universities; and
- 16.16.4 Technical and other colleges
- 16.17 Public benefit organisations approved in terms of section 30 of the Income Tax Act, 1962, read with Items 1, 2 and 4 of the Ninth Schedule to that Act, which own property; these are welfare and humanitarian, health care and education and development;
- 16.18 Owners of heritage sites declared as such in terms of Section 27 of the National Heritage Resources Act, 1999 (Act No. 25 of 1999);
- 16.19 The State or an organ of state owning property;
- 16.20 Owners of property used for bona fide farming purposes.
- 16.21 Owners of residential property with a market value lower than the threshold value which rates may be levied as contemplated in section 15(1)(a) of the Act or a threshold determination by the Council as contemplated in item 4(c) of this policy;
- 16.22 Owners of residential Sectional Title property owned by the municipality where the rules set out herein will be applied;
- 16.23 Property registered in the name of an institution or organisation which has as its exclusive objective the protection of animals;
- 16.24 Property registered in the name of an institution or organisation which has as its exclusive objective the provision and, or promotion of youth development programmes

17 ADDITIONAL CONDITIONS ATTACHED TO EXEMPTIONS, REBATES AND REDUCTIONS

- 17.11 Any owner must apply for the Council's approval of a rebate on a form prescribed by the Council accompanied by a copy of the applicant's social security card or of his or her most recent income tax assessment issued by the South African Revenue Services or other proof of income acceptable to the Council; and
- 17.12 A rebate is granted for a maximum period of one year provided that the status of the beneficiary does not change within this period, after which it is necessary to re-apply. A beneficiary in receipt of a rebate is required to notify the Council in writing in the event of a change in financial status that may affect the granting of the rebate.
- 17.13 No retrospective rebates will be granted and rebates are dependent upon successful application to the Council by 1 September of each year and thereafter prior to validity period of any existing rebate lapsing.

17.14 The maximum extent of the rebate is as follows:

- 17.14.1 Persons specified in item 17 (1): a maximum of 75 per cent of the current monthly rates;
- 17.14.2 Persons in receipt of a State social security grant specified in item 17 (2) a maximum of 100 per cent of the current monthly rates; and
- 17.14.3 Pensioners specified in item 17(3):
- 17.14.3.1 A maximum of 100 per cent of the current monthly rates where the monthly income of the household does not exceed the lower level threshold to be determined by Council from time to time;
- 17.14.3.2 a maximum of 50 per cent of the current monthly rates where the monthly income of the household exceeds the lower level threshold but does not exceed the upper level threshold to be determined by Council from time to time;

18 CRITERIA FOR REBATES FOR CATEGORIES OF OWNERSHIP SPECIFIED IN ITEMS 17

- 18.11 Organisations caring for the aged
- 18.12 The State or an organ of state owning properties, other than housing development schemes as contemplated in the Housing Development Schemes for Retired Persons Act, 1988 (Act No. 65 of 1988), and any similar scheme for housing the aged irrespective of its date of establishment: **A maximum of 100 per cent of the current monthly rates; and**
- 18.13 Public benefit organisations owning property other than housing development schemes as contemplated in the Housing Development Schemes of Retired Persons Act, 1988, and any other similar scheme for housing the aged irrespective of the date of its establishment:
- A maximum of 100 per cent of the current monthly rates subject to an application to the Council for approval of a rebate on a form prescribed by the Council being submitted to Council before 1 September of each year;**
- 18.14 Owners of school property:
- 18.14.1 Public primary and secondary schools which are State funded: **A maximum of 50 per cent of the current monthly rates;**
- 18.14.2 Independent primary and secondary schools which are not State funded in terms of section 34 of the South African Schools Act, 1996 (Act No. 84 of 1996) and are registered as independent schools in terms of the South African Schools Act, 1996: **A maximum of 50 per cent of the current monthly rates;**

- 18.15 Owners of universities - **A maximum of 20 percent of the current monthly rates;**
- 18.16 Owners of technical and other colleges. **A maximum of 20 percent of the current monthly rates;**
- 18.17 Public benefit organisations - **A maximum of 100 per cent of the current monthly rates.** Such organisations must annually, before 1 September make application to the Council for approval of a rebate on a form prescribed by the Council accompanied by a copy of their annual report and financial statements audited by an independent person or organisation that is not the treasurer nor connected to the treasurer of the public benefit organisation seeking relief from property rating;
- 18.18 The State or an organ of state owning properties: **A maximum of 20 per cent of the current monthly rates, provided that if State owned property or property owned by an organ of State is used for the provision of residential accommodation, the property, to the exclusion of the 20 per cent rebate referred to above, must be rated as residential property;**
- 18.19 Owners of farming property;
 Owners must meet the following conditions in order to qualify as bona fide farmers:
- 18.19.1 The property must be zoned for agriculture/farming and be used predominantly for bona fide farming purposes;
- 18.19.2 The owner must be taxed by the South African Revenue Services as a farmer;
- 18.19.3 Application for a rebate must be made before 1 September every year on a form prescribed by the Council accompanied by an affidavit that all information contained in the application is true and correct
- 18.19.4 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.
- 18.19.5 The Council will, subject to the provisions of section 3(4) of the Act, in considering any application take cognisance of whether or not –
- 18.19.5.1 There are any municipal roads adjacent to the property;
- 18.19.5.2 There is any municipal sewerage available to the property;
- 18.19.5.3 There is any municipal electricity supply available to the property;
- 18.19.5.4 There is any municipal water supply available to the property;
- 18.19.5.5 There is any municipal refuse removal service provided to the property;
- 18.19.5.6 The owner is providing permanent residential accommodation on the farm for the farm workers in his or her employ;
- 18.19.5.7 Such residential accommodation is provided with potable water;

- 18.19.5.8 An electricity supply is provided to such residential accommodation; an
- 18.19.5.9 The applicant is making part of the property concerned available for a cemetery, or for buildings to be used for the educational and recreational purposes of the farm workers in his or her employ or their children: **A maximum of 55 percent of the current monthly rates.**
- 18.20 Owners of Residential Sectional Title: **A maximum of 20 percent of the current monthly rates.**
- 18.21** Property registered in the name of an institution or organisation which has as its exclusive objective the protection of animals; **A maximum of 100 percent of the current monthly rates**
- 18.22** Property registered in the name of an institution or organisation which has as its exclusive objective the provision and, or promotion of youth development programme: **A maximum of 100 percent of the current monthly rates.**

19 CERTIFICATE OF OCCUPANCY

- 19.11 Prior to a residential property being eligible for a residential rate or a rebate, the property concerned must have been inspected by the Council and a certificate of occupancy must have been issued in respect thereof by the Council department concerned in terms of section 14 of the National Building Regulations and Building Standards Act, 1977 (Act No. 103 of 1977) : Provided that owners of residential property who are in receipt of the residential rebate at 30 June 2008, do not have to submit a certificate of occupancy.
- 19.12 The onus of obtaining a certificate of occupancy rests with the owner of property contemplated in (1) and is only obtainable from the Council department concerned.

20 LIABILITY FOR AND RECOVERY OF RATES

- 20.11 The owner of a property shall be liable for the payment of the rates levied on the property
- 20.12 Joint owners of a property shall be jointly and severally liable for the payment of the rates levied on the property.
- 20.13 In the case where an agricultural property is owned by more than one owner in undivided shares and these undivided shares were allowed before the commencement date of the Subdivision of Agricultural Land Act, 1970, Act No. 70 of 1970, the municipality shall hold any joint owners only liable for that portion of rates levied on the property that represents that joint owner's undivided share in the property.
- 20.14 Rates levied on property in sectional title schemes, shall be payable by the owner of each unit.

20.15 Rates levied on property in sectional title schemes, where the Body Corporate is the owner of any specific sectional title unit, shall be payable by the Body Corporate.

20.16 The common area of the property in sectional title schemes, shall be proportionally divided and included into each sectional title unit and these proportioned common area shall be payable by the owners of the specific sectional title unit.

21 GENERAL VALUATION OF RATEABLE PROPERTY

21.11 The municipality shall prepare a new valuation roll every 4 (four) years and supplementary valuation rolls every six months.

21.12 The first valuation roll prepared in terms of the Property Rates Act, Act 6 of 2004, shall take effect from the start of the financial year following completion of the public inspection period.

22 METHOD AND TIME OF PAYMENT

22.11 The rates levied on the properties shall be payable on a monthly basis; or annually, as may be agreed to with the owner of the property.

22.12 The municipality shall determine the due dates for payments in monthly instalments and the single annual payment and this date shall appear on the accounts forwarded to the owner/tenant/occupant.

22.13 A person is liable for the payment of the rates, whether or not an account was received.

23 RECOVERY OF RATES IN ARREAR

23.11 Tenants and occupiers:

If the amount due for rates levied on a property is not paid by the due date shown on the account, the municipality shall recover the amount in full or partially, from a tenant or occupier of the property, after a written notice was served on the tenant or occupier.

23.12 Agents

If the amount due for rates levied on a property is not paid by the due date shown on the account, the municipality shall recover the amount in full or partially, from the agent of the owner of the property, after a written notice was served on the agent

24 ILLEGAL USE OF A PROPERTY

- 24.11 If a court order is issued against the owner of a residential property resultant upon the illegal use thereof, any tariff lower in value than the tariff applicable to business, commercial and industrial in respect of the property concerned lapses with effect from the date of that order.
- 24.12 The owner of property may, on a form prescribed by the Council, make application for the tariff lower in value than the tariff applicable to business, commercial and industrial to be reinstated. Such application must be accompanied by an affidavit by the owner confirming that the terms of the relevant court order have been complied with or that the property is being used in accordance with the rights accorded to that property in terms of the applicable town planning scheme.
- 24.13 The tariff lower in value than the tariff applicable to business, commercial and industrial must on approval of an application in terms of paragraph (b), be reinstated as from the date of such approval

25 LIABILITY FOR RATES

- 25.11 Rates is a tax in terms of section 11 of the Prescription Act, 1969 (Act No. 68 of 1969), and therefore the Council may recover rates in arrear for a period of up to 30 years;
- 25.12 Rates which are recovered by the Council on a monthly basis, are payable on or before the due date stipulated in the account sent to the ratepayer.
- 25.13 Rates are payable in full and interest will be charged on rates that are in arrears.
- 25.14 A ratepayer remains liable for the payment of the rates whether or not an account has been received and if an account has not been received, the onus is on him or her, to establish the amount due for the rates and to pay that amount to the Council
- 25.15 In the case of joint ownership of property, all the property owners are jointly and severally liable for the payment of rates and any interest charges thereon.
- 25.16 In respect of property that has been let by a ratepayer, the Council may recover unpaid assessment rates from the tenant to the extent of any unpaid rental due to the ratepayer.
- 25.17 The Council may recover unpaid rates from the agent of the ratepayer but only to the extent of the rental in respect of the property concerned received by the agent, less any commission due to the agent by the ratepayer.
- 25.18 If a ratepayer wishes to dispose of a property, he or she must comply with the provisions of section 118 of the Systems Act which requires an advance payment of an amount to cover, inter alia, the rates due before a rates clearance certificate is issued, such payment to be calculated to cover a lead time of at least 150 days.

26 DEALING WITH APPLICATIONS IN TERMS OF THE BY-LAW

26.11 The Council must consider every application in terms of this by-law within a reasonable time, and may approve the application or refuse it.

27 INSPECTION OF AND OBJECTION TO AN ENTRY IN THE VALUATION ROLL

27.11 All owners of property will be informed via the media and individual letters about the valuation roll that is open for inspection. Once the notice is received, any person may within the inspection period, inspect the roll and may lodge an objection with the municipal manager against any matter reflected in the roll or omitted from the roll.

28 OBJECTIONS MUST BE IN RELATION TO A SPECIFIC PROPERTY.

28.11 The lodging of an objection does not defer liability for the payment of rates.

29 REGISTER OF PROPERTIES

29.11 Council shall develop and maintain a register in respect of all properties situated within the Council's jurisdiction, dividing such register into part A and part B

29.12 Part A of the register consists of the current valuation roll of Council including any supplementary valuation rolls prepared from time to time.

29.13 Part B of the register specifies which properties on the valuation roll or any supplementary valuation rolls are subject to:-

29.13.1 An exemption from rates in terms of section 15 of the Property Rates Act;

29.13.2 A rebate on or a reduction in the rate in terms of section 15 of the Act;

29.13.3 A phasing in of the rate in terms of section 21 of the Act; or

29.13.4 Exclusion referred to in section 17 of the Act.

29.14 The register will be open for inspection by the public during office hours at Council offices or the Council's website, if any and the public shall be notified accordingly in the newspaper of record of the municipality. Council shall at regular intervals but at least annually update Part B of the register.

30 PROPERTY RATES PAYABLE BY OWNERS

30.11 A rate levied by Council on a property must be paid by the owner of the property. Joint owners of a property are jointly and severally liable for the amount due for rates on that property. In the case of

joint ownership the municipality shall consistently, in order to minimise costs and unnecessary administration, recover rates from one of the joint owners only provided that it takes place with the consent of the owners concerned.

26 CONCLUSION

26.11 Rates constitute the principle source of revenue for the funding of those municipal services where the benefit is shared by the local community and does not accrue to any individual person or ratepayer. It is therefore incumbent upon all ratepayers to honour their obligations towards the municipality and its council.
