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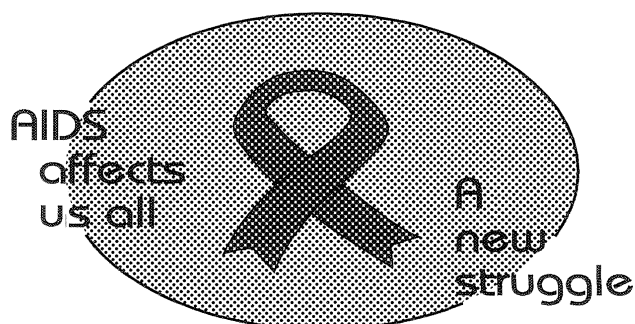
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## LOCAL AUTHORITY NOTICE

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### LOCAL AUTHORITY NOTICE 137

# THE CITY OF MATLOSANA



## RATES BY-LAW

### PREAMBLE

- (1) The Constitution of the Republic of South Africa, 1996, and the Local Government: Municipal Property Rates Act, Act 6 of 2004 (hereinafter referred to as “the MPRA”), empowers the City of Matlosana (hereinafter referred to as “the CoM”) to impose rates on property.
- (2) In terms of section 4(1)(c) of the Local Government: Municipal Systems Act, Act 32 of 2000 (hereinafter referred to as “the Systems Act”), the CoM may, inter alia, levy rates on property to finance operational expenditure of the CoM.
- (3) In terms of section 62(1)(f)(ii) of the Local Government: Municipal Finance Management Act, Act 56 of 2003 (hereinafter referred to as “the MFMA”), the Municipal Manager of the CoM appointed in terms of section 82 of the Local Government: Municipal Structures Act, Act, 117 of 1998 (hereinafter referred to as “the Structures Act”), must, in his capacity as the accounting officer of the CoM, ensure that the CoM has and implements a rates policy and further gives effect to such policy by adopting a by-law in terms of the provisions of section 6 of the MPRA.
- (4) This by-law is adopted in order to give effect to the implementation of the Rates Policy of the CoM.

# THE CITY OF MATLOSANA:

## RATES BY-LAW

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## CHAPTER 1: INTRODUCTORY PROVISIONS

### 1. DEFINITIONS

- (1) In this by-law, except where the context otherwise indicates or it is expressly stipulated otherwise, the following words and expressions shall have the respective meanings assigned to them hereunder and words or expressions to which a meaning has been assigned in terms of the provisions of section 1 of the MPRA will have the corresponding meaning assigned thereto.

NO.	WORD/EXPRESSION	DEFINITION
<b>“B”</b>		
1.1.	<b>“bona fide agricultural / farming purposes”</b>	Means farming / agricultural land or property zoned as agricultural / farming and used predominantly for bona fide farming purposes, including subsistence farming and the use of the property for eco-tourism and game farming and hunting purposes.
<b>“C”</b>		
1.2.	<b>“City of Matlosana” or “CoM”</b>	the CITY OF MATLOSANA a local government and legal entity with full legal capacity as contemplated in section 2 of the MSA, read with the provisions of Chapter 7 of the Constitution of the Republic of South Africa and sections 12 and 14 of the Local Government: Municipal Structures Act, Act 117 of 1998, with its main place of business and the offices of the Municipal Manager, as envisaged in terms of the provisions of section 115(3) of the MSA, Bram Fisher Street, KLERKSDORP, NORTH WEST PROVINCE and includes:

		<p>(a) its successor in title; or</p> <p>(b) a structural person exercising a delegated power or carrying out an instruction, in the event of any power being delegated as contemplated in terms of the provisions of section 59 of the Systems Act; or</p> <p>(c) in respect of ownership of property, rateability and liability for rates, a service provider fulfilling a responsibility assigned to it through a service delivery agreement.</p>
1.3.	<b>“council”</b>	Means the municipal council of the CoM in which the executive and legislative authority of the CoM is vested and which is the decision making body of the CoM, its legal successors and its delegates.
<b>“E”</b>		
1.4.	<b>“exemption”</b>	In relation to the payment of a rate, means an exemption granted by the CoM in terms of the provisions of section 15 of the MPRA.
<b>“M”</b>		
1.5.	<b>“MFMA”</b>	Means the Local Government: Municipal Finance Management Act, Act 56 of 2003.
1.6.	<b>“MPRA”</b>	Means the Local Government: Municipal Property Rates Act, Act 6 of 2004.
1.7.	<b>“MPRA Rate Ratio Regulations”</b>	Means the Municipal Property Rates Act: Regulations on the Rate Ratio between Residential and Non-Residential Properties promulgated in terms of the provisions of section 83 of the MPRA and published in GN R195 in GG 33016 of 12 March 2010.
1.8.	<b>“municipal property”</b>	Means property owned by, vested in or under the control and management of the CoM.
<b>“P”</b>		



1.9.	<b>“public service infrastructure”</b>	Means public service infrastructure as defined in the Municipal Property Rates Act 6 of 2004
<b>“R”</b>		
1.10.	<b>“rateable property”</b>	Means property on which the CoM may in terms of the provisions of sections 2 and 7 of the MPRA levy a rate, excluding property fully excluded from the levying of rates in terms of the provisions of section 17 of the MPRA.
1.11.	<b>“rebate”</b>	Means a discount granted in terms of the provisions of section 15 of the MPRA on the amount of the rate payable on the property.
1.12.	<b>“reduction”</b>	Means the lowering in terms of the provisions of section 15 of the MPRA of the amount for which the property was valued and the rating at that lower amount.
1.13.	<b>“residential property”</b>	<p>Means improved property which is:</p> <ul style="list-style-type: none"> <li>(a) used predominantly (60% or more) for residential purposes, with not more than 2 (two) dwelling units per property, and includes any adjoining property registered in the name of the same owner and used together with such residential property as if it were one property (any such grouping shall be regarded as one residential property for rate rebate or valuation reduction purposes); or</li> <li>(b) a unit registered in terms of the Sectional Titles Act, used predominantly (60% or more) for residential purposes, and includes any unit in the same sectional title scheme registered in the name of the same owner which is used together with the residential unit as if it were one property, for example a garage or domestic worker's quarters (any such grouping shall be</li> </ul>

		<p>regarded as one residential property for rate rebate or valuation reduction purposes and for clearance application purposes); or</p> <p>(c) owned by a share-block company and used predominantly (60% or more) for residential purposes; or</p> <p>(d) a retirement scheme or life right scheme used predominantly (60% or more) for residential purposes; or</p> <p>(d) a residence used for residential purposes situated on property used for or related to educational purposes;</p> <p>but excludes hostels, flats, old age homes, guesthouses and any vacant land irrespective of its zoning or intended usage.</p>
<b>“S”</b>		
1.14.	<b>“Sectional Titles Act”</b>	Means the Sectional Titles Act, Act 95 of 1986.
1.15.	<b>“service provider”</b>	Means a service provider as contemplated in subparagraph (c) in the definition of “the CoM”.
1.16.	<b>“State”</b>	In so far as it relates to property owned and used by the State, means property owned and used by the National Government and North West Provincial Government for the provision of community type services, including but not limited to police stations, hospitals. All other property owned and utilised by the State will be classified in accordance with its zoning i.e. business for offices, residential for housing schemes etc.
1.17.	<b>“Structures Act”</b>	Means the Local Government: Municipal Structures Act, Act 117 of 1998.
1.18.	<b>“Systems Act”</b>	Means the Local Government: Municipal Systems Act, Act 32 of 2000.

<b>“T”</b>		
1.19.	<b>“the/this by-law”</b>	Means the Rates by-law of the CoM as adopted by the CoM in terms of the provisions of Section 6 of the MPRA and published in terms of the provisions of section 13 of the Systems Act.
1.20.	<b>“the rates policy”</b>	Means the Rates Policy of the CoM.
1.21.	<b>“Town Planning Scheme”</b>	Means the Klerksdorp Land Use Management Scheme, 2005, or any revision or amendment thereof, which is in operation as contemplated in terms of the Town Planning and Townships Ordinance 15 of 1986, or any amendment or replacement of this Ordinance.
<b>“V”</b>		
1.22.	<b>“vacant land”</b>	Means a property without any improvements thereto.
1.23.	<b>“valuation roll”</b>	Means a valuation roll prepared in terms of the provisions of section 30 of the MPRA or a supplementary valuation roll prepared in terms of the provisions of section 78 of the MPRA.
<b>“Z”</b>		
1.24.	<b>“zoning”</b>	Means the purpose for which land may lawfully be used or on which buildings may be erected or used, or both, as contained in the applicable Town Planning Scheme, or any revision or amendment thereof, and “zoned” has a corresponding meaning, provided that where a property carries multiple zoning rights, the categorisation of such property will be in accordance with the highest rating category.

**2. THE RATES POLICY ADOPTED BY THE COM**

This CoM has prepared and adopted a rates policy as contemplated in terms of the provisions of section 3(1) of the MPRA.

### **3. OBJECTIVE OF THE BY-LAW**

The objective of this by-law is to give effect to the implementation and enforcement of the rates policy of the CoM as required in terms of the provisions of section 6(1) of the MPRA.

### **4. TITLE AND APPLICATION OF THE BY-LAW**

- (1) This by-law is known as the Rates By-Law of the City of Matlosana.
- (2) This by-law revokes all previous by-laws, decisions and/or *ad hoc* clauses within any other by-law, regarding the subject matter of this by-law.

### **5. RESPONSIBLE AUTHORITY**

The responsible authority for the adoption, publication and implementation of this by-law is the CoM and where applicable the council of the CoM.

### **6. COMMENCEMENT AND VALIDITY**

This by-law shall come into full force and effect upon publication hereof in accordance with the provisions of section 13 of the Systems Act.

## **CHAPTER 2: RATING PRINCIPLES AND CATEGORIES OF PROPERTY**

## **7. OPERATIONAL BACKGROUND AND PRINCIPLES**

- (1) The rates policy has been prepared to ensure equitable treatment by the CoM in the levying of rates on property owners, including owners under sectional title as contemplated in terms of the Sectional Titles Act, as well as any other person who may become liable for the payment of rates based on the guiding principles of equity, affordability, poverty alleviation, social and economic development, financial sustainability and cost efficiency.
- (2) The rates policy must be read in conjunction with the provisions of the Town Planning Scheme and the Town Planning and Townships Ordinance 15 of 1986, and any other applicable legislation, including, but not limited to, the MFMA, the Systems Act or any legislation which replaces any of the aforementioned acts or ordinance.
- (3) The rates policy is herewith given effect to, implemented and may be enforced with the power of a by-law.
- (4) As provided in the MPRA, the CoM has elected to differentiate between various categories of property and property owners and has set out these distinctions in the rates policy. Some categories of property and categories of owners are granted relief from rates in the rates policy. The CoM has, however, not grant relief from rates in respect of payments for rates to any category of owners or properties on an individual basis, other than by way of an exemption, rebate or reduction as provided in the rates policy.
- (5) Rates are levied in accordance with the provisions of the MPRA as a cent-in-the-rand based on the property value determined for a property as contained in the valuation roll and supplementary valuation roll. The rate charged as a cent-in-the-rand for residential properties is the base rate and the rate charged in respect of all other categories of property is reflected as ratios to the residential rate.

## **8. CATEGORIES OF PROPERTY FOR LEVYING OF DIFFERENTIAL RATES**

- (1) The CoM levies different rates for different categories of rateable property, provided that the maximum ratio to the rate on residential property which may be imposed on farming/agricultural property, public service infrastructure property and public benefit organisation property may not exceed the ratio as published in terms of the MPRA Rate Ratio Regulations.
- (2) All rateable property are classified within a specific category and rated upon the said classification, which will be in accordance with the permitted use thereof, unless otherwise stated in the rate policy.
- (3) For purposes of levying different rates based on the permitted use of properties in terms of the provisions of section 8(1)(b), read with sections 3(3)(b) and 3(3)(c) of the MPRA, the following categories of property are determined and the main criteria to be used in order to determine the category of the property are set out in the rates policy:
  - (a) Residential property;
  - (b) Business and Commercial property;
  - (c) Industrial property;
  - (d) Mining property;
  - (e) Public service infrastructure property;
  - (f) Municipal properties;
    - (i) Municipal Property: Not Rateable; and
    - (ii) Municipal Property: Rateable;
  - (g) Farming/agricultural property;
  - (h) State-owned or Organ of State-owned property;
  - (i) Smallholdings used for;
    - (i) bona fide agricultural/farming purposes;
    - (ii) residential purposes;
    - (iii) Mixed use;

- (iv) industrial purposes;
  - (v) business and commercial purposes; and
  - (vi) any other purpose than those specified above;
- (j) Protected areas;
  - (k) Property used for Multiple Purposes;
  - (l) Education;
  - (m) Public benefit organisation property; and
  - (n) Property used for Religious purposes.

## **CHAPTER 3: EXEMPTIONS, REDUCTIONS AND REBATES**

### **9. CATEGORIES OF PROPERTY OWNERS FOR PURPOSES OF EXEMPTIONS, REDUCTIONS AND REBATES**

The rates policy makes provision for exemptions, reductions and rebates from the payment of the rate levied and categorises different categories of property owners for purposes of exemptions, reductions and rebates from the payment of a rate levied on the different categories of property, these categories are as follows:

(1) **EXEMPTIONS:**

The CoM will consider an exemption from rates payable by owners of the following properties:

- (a) An owner of residential property;
- (b) Property owned by the CoM;
- (c) Property owned by Public Benefit Organisations;
  - (i) State or Organ of State owned Health Care Institutions;

- (ii) Welfare Institutions;
  - (iii) Educational Institutions;
  - (iv) Charitable Institutions;
  - (v) Sporting Bodies;
  - (vi) Cultural Institutions;
  - (vii) Museums, Libraries, Art Galleries and Botanical Gardens;
  - (viii) Youth Development Organizations; and
  - (ix) Animal Welfare;
- (d) Property used for Religious purposes;

(2) **REDUCTIONS:**

The CoM will consider reductions from rates payable by owners of property on an *ad hoc* basis, in any of the following circumstances:

- (a) partial or total destruction of a property and/or improvements on such property; and
- (b) in the event of a disaster, as defined in terms of the provisions of the Disaster Management Act, Act 57 of 2002, directly or indirectly affects the property.

(3) **REBATES:**

The CoM will consider rebates from rates payable on the following categories of property and/or for the following categories owners of property:

- (3A) Categories of property:
- (a) Business, Commercial and Industrial property;
  - (b) State-owned or Organ of state-owned property;
  - (c) Farming/agricultural property; and
  - (d) Public Service Infrastructure property.



- (3B) Categories of owners:  
Retired and Disabled Persons.

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## CHAPTER 4: GENERAL

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### **10. FURTHER PROVISIONS IN THE RATE POLICY**

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The rate policy also provides for matters relating to the:

- (a) determination of special rating areas;
- (b) consideration of rate increases;
- (c) notifications of rates;
- (d) payment of rates;
- (e) payment of rates on property in sectional title schemes;
- (f) furnishing of accounts;
- (g) frequency of valuation;
- (h) participation of the community;
- (i) property register;
- (j) certificate of occupancy;
- (k) rating of property used illegally; and
- (l) inspection of and objections to entries into the valuation roll.

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## CHAPTER 5: LIABILITY FOR RATES AND GENERAL VALUATION

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## **11. LIABILITY FOR RATES**

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- (1) The levying of rates on property will be effected in terms of the rate policy and the provisions of MPRA.
- (2) Rates will be recovered monthly or annually.
- (3) If an amount due for rates on a property is unpaid by the owner of the property, the municipality may recover the amount from the tenant, occupier of the property or, the agent of the owner.
- (4) Where the rates levied on a property are based on a supplementary valuation made in terms of the provisions of section 78(1) of MPRA, such rate will be payable from the date contemplated in terms of the provisions of section 78(4) of MPRA.
- (5) Recovery of rates due will be in accordance with the Customer Care and Management, Credit Control and Debt Collection Policy of the CoM read together with the Customer Care and Management, Credit Control and Debt Collection By-Law.

## **12. GENERAL VALUATION**

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- (1) The CoM will undertake a general valuation of all rateable properties in its area of jurisdiction and a valuation roll be compiled after 4 (four) financial years.
- (2) The CoM will undertake supplementary valuations on an ongoing basis and prepare a supplementary valuation roll once during each financial year.
- (3) The CoM will in accordance with the provisions of section 79 of MPRA, make amendments regularly to the particulars on the valuation roll, only the electronic copy of the valuation roll will be updated to incorporate such amendments, except those changes to the roll in such circumstances where the provisions of section 78 of MPRA applies, which may only be effected through a supplementary valuation in accordance with such section.



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