



Dr NKOSAZANA DLAMINI ZUMA LOCAL MUNICIPALITY RATES POLICY

2024/2025

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TABLE OF CONTENTS

1	PART ONE: PREAMBLE	3
2	PART TWO: DEFINITIONS	4
3	PART THREE: THE PURPOSE OF THE POLICY	19
4	PART FOUR: FUNDAMENTAL PRINCIPLES OF THIS POLICY	19
5	PART FIVE: IMPLEMENTATION OF THIS POLICY AND EFFECTIVE DATE.....	20
6	PART SIX: EQUITABLE TREATMENT OF RATEPAYERS	21
7	PART SEVEN: DISCRETIONARY DECISIONS ADOPTED BY THE MUNICIPALITY WITH RESPECT TO LEVYING PROPERTY RATES	21
8	PART EIGHT: CATEGORIES OF PROPERTIES FOR DIFFERENTIAL RATING PURPOSES.....	23
9	PART NINE: RELIEF MEASURES FOR RATEPAYERS.....	26
10	PART TEN: CRITERIA FOR GRANTING RELIEF MEASURES FOR CATEGORIES OF OWNERS OF PROPERTY.	27
11	PART ELEVEN: COMMUNITY PARTICIPATION	37
12	PART TWELVE: RECOVERY OF RATES	38
13	PART THIRTEEN: CONSOLIDATION AND APPORTIONMENT OF PAYMENTS	38
14	PART FOURTEEN: DEFERMENT OF RATES.....	39
15	PART FIFTEEN: IMPERMISSIBLE RATES IN TERMS OF SECTION 17 OF THE ACT.....	39
16	PART SIXTEEN: CONSTITUTIONALLY IMPERMISSIBLE RATES	40
17	PART SEVENTEEN: NEWLY RATED PROPERTY	Error! Bookmark not defined.

1 PART ONE: PREAMBLE

Whereas:

- 1.1 Section 229 of the Constitution of the Republic of South Africa (Act 108 of 1996) provides that a municipality may impose rates on property;
- 1.2 The Local Government: Municipal Property Rates Act (Act 6 of 2004) regulates the power of a municipality to impose rates on property;
- 1.3 In terms of the Municipal Property Rates Act a municipality:
 - 1.3.1 may levy a rate on property in its area; and
 - 1.3.2 must exercise its power to levy a rate on property, subject to:
 - (a) section 229 and any other applicable provisions of the Constitution;
 - (b) the provisions of the Municipal Property Rates Act; and
 - (c) its rates policy;
- 1.4 The Council has resolved to levy rates on the market value of all rateable properties within its area of jurisdiction;
- 1.5 The municipality must, with regard to section 3 of the Municipal Property Rates Act, adopt a rates policy consistent with the provisions of the said Act on the levying of rates in the municipality;
- 1.6 In terms of section 4 of the Local Government: Municipal Systems Act (Act 32 of 2000), the municipality has the right to finance the affairs of the municipality by imposing, inter-alia, rates on property; and
- 1.7 In terms of section 62 of the Local Government: Municipal Finance Management Act (Act 56 of 2003), the Municipal Manager must ensure that the municipality has and implements a rates policy.

2 PART TWO: DEFINITIONS

All words and phrases in this policy shall have the same meaning and interpretation as assigned in terms of the Local Government: Municipal Property Rates Act, Act 6 of 2004, and unless the context indicates otherwise:-

Act	Means the Local Government: Municipal Property Rates Act (Act 6 of 2004).
Agent	<p>In relation to the owner of a property, means a person appointed by the owner of the property:</p> <ul style="list-style-type: none">(a) to receive rental or other payments in respect of the property on behalf of the owner; or(b) to make payments in respect of the property on behalf of the owner.
Agricultural property	Property that is used primarily for agricultural purposes but, without derogating from section 9 of the Act, excludes any portion thereof that is used commercially for the hospitality of guests, and excludes the trading in or hunting of game.
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.
Appeal board	Means a valuation appeal board established in terms of section 56 of the Act.
Assistant municipal valuer	Means a person designated as an assistant municipal valuer in terms of section 35(1) of the Act.
Back-packer lodge	Means a commercial accommodation establishment where beds are available to guests in communal rooms.

Bed and Breakfast	Means a commercial accommodation establishment with less than or equal to 4 bedrooms available to guests.
Business or Commercial property	Means – <ul style="list-style-type: none"> (a) Property used for the activity of buying, selling or trading in commodities or services and includes any office or other accommodation on the same property, the use of which is incidental to such activity; (b) Property on which the administration of the business of private or public entities takes place; (c) property used for the provision of commercial accommodation; (d) property used for education purposes.
Category	<ul style="list-style-type: none"> (a) In relation to property, means a category of property determined in terms of section 8 of the Act; and (b) In relation to owner of property, means a category of owner determined in terms of section 15 (2) of the Act and this Property Rates policy.
Child Headed Household (Category of Owner of Property)	Means a household recognized as such in terms of section 137 of the Children’s Amendment Act, 41 of 2007.
Commercial accommodation	Means lodging or board and lodging, together with domestic goods and services, in any house, flat, apartment, room, hotel, motel, Inn, guesthouse, Bed & Breakfast, boarding house, holiday accommodation, unit, chalet, tent, caravan, camping site or similar establishment which is regularly or systematically supplied but excludes a dwelling supplied in terms of an agreement for letting and hiring thereof.

Communal property

Unless the context indicates otherwise, “communal property” includes –

- (a) Ingonyama Trust land as contemplated in the Ingonyama Trust Act, 1994 (Act No 3 of 1994), **excluding**:
 - (i) Any land or real right in land contemplated in section (4) of the Ingonyama Trust Act, 1994;
 - (ii) Any land that is subject to an agreement of lease registered with the Registrar of Deeds;
 - (iii) Any land that is subject to an agreement of lease for a period in excess of 10 years, which is registered with the Ingonyama Trust Board;
 - (iv) Any State or municipal owned land rights which includes property categorised as public service purpose and public service infrastructure; and
 - (v) any land tenure rights as contemplated in Schedule 1 and Schedule 2 of the Upgrading of Land Tenure Rights Act, 1991 (Act No 112 of 1991).
- (b) State Trust Land as defined in section 1 of the MPRA, **excluding**:
 - (i) Any land or real right in land for which a certificate has been issued in terms of section 239 of the Constitution of the Republic of South Africa, 1993 (Act No 200 of 1993), as contemplated in item 28 of Schedule 6 to the Constitution of the Republic of South Africa, 1996;
 - (ii) Any land that is subject to an agreement of lease registered with the Registrar of Deeds; and
 - (iii) Any land tenure rights as contemplated in Schedule 1 and Schedule 2 of the Upgrading of Land Tenure Rights Act, 1991 (Act No 112 of 1991);
- (c) Land registered in the name of a Communal Property Association, as contemplated in the Communal Property Association Act, 1996 (Act No 28 of 1996), **excluding** any land that is subject to an agreement of lease registered with the Registrar of Deeds; and
- (d) Any other property, regardless of the owner of the property, which:
 - (i) Is a single piece of land;
 - (ii) Has more than one residential and non-residential top structures occupied by unrelated occupiers with insecure tenure; and
 - (iii) Used for communal purposes,

excluding, any land tenure rights as contemplated in Schedule 1 and Schedule 2 of the Upgrading of Land Tenure Rights Act, 1991 (Act No 112 of 1991).

The levying of rates on communal property will where applicable be subject to the provisions of sections 8 (2) (i) multiple purposes and 9 (2) by value apportionment, determined according to each apportioned use and category of property.

Constitution	A body of fundamental principles or established precedents according to which our State is governed and as embodied and promulgated per Act 108 of 1996.
Data-collector	Means a person designated as a data-collector in terms of section 36 of the Act.
Date of valuation	Means the date determined by a municipality in terms of section 31(1) of the Act.
Day	Means when any number of days are prescribed for the performance of any act, those days must be reckoned by excluding the first and last day, unless the last day falls on a Saturday, Sunday or any public holiday, in which case the number of days must be reckoned by excluding the first day and also any such Saturday, Sunday or public holiday.
Disabled (Category of Owner of Property)	Means a person who qualifies to receive relief in terms of the Social Services Act, 1992 (Act No. 59 of 1992) or has been certified as disabled by a medical practitioner and qualifies in terms of the income threshold as defined in the Council's Customer Care Policy or Indigent Policy.
Disaster (Deals with the treatment of the Category of Owner of Property)	Means a disaster within the meaning of the Disaster Management Act (Act 57 of 2002) or any other serious adverse social or economic condition as adopted by a Council resolution from time to time.
Disaster area (Deals with the treatment of the Category of Owner of Property)	Means owners of property situated within an area affected by: <ul style="list-style-type: none"> (a) a disaster within the meaning of the Disaster Management Act 57 of 2002; (b) any other serious adverse social or economic conditions;
District Municipality	Means a municipality that has municipal executive and legislative authority in an area that includes more than one municipality, and which is described in section 155 (1) of the Constitution as a category C municipality.

Dominant use	Means a property used for more than one purpose subject to section 9 (1) (b) of the Act.
Effective date	<p>(a) In relation to a valuation roll, means the date on which the valuation roll takes effect in terms of section 32(1) of the Act; or</p> <p>(b) In relation to a supplementary valuation roll, means the date on which a supplementary valuation roll takes effect in terms of section 78(2)(b) of the Act.</p>
Equitable treatment of ratepayers	Means the fair, just and impartial treatment of all ratepayers.
Exclusion	In relation to a municipality's rating power, means a restriction of that power as provided for in section 17 of the Act.
Exemption	In relation to the payment of a rate, means an exemption granted by a municipality in terms of section 15 of the Act.
Financial year	Means the period starting from 1 July in a year to 30 June the next year.
Guest House	Means a commercial accommodation establishment with between 5 and 10 bedrooms available to guests.
Income Tax Act	Means the Income Tax Act, 1962 (Act No. 58 of 1962).
Indigent owner (Category of Owner of Property)	Means a person recorded and listed on the indigent register of the municipality and who qualifies for property rates relief in terms of the municipality's adopted rates policy.
Industrial Property	<p>Means property used for a branch of trade or manufacturing, production, assembly or processing of finished or partially finished products from raw material or fabricated parts in respect of which capital and labour are involved, and includes:-</p> <p>(a) The production of raw products on the property;</p> <p>(b) The storage and warehousing of products; and</p>

	(c) Any office or other accommodation on the same property the use of which is incidental to such activity.
Land reform beneficiary (Category of owner of property)	<p>In relation to a property read with section 17 (1) (g) of the Act, means a person who:</p> <ul style="list-style-type: none"> (a) acquired the property through - <ul style="list-style-type: none"> (i) the Provision of Land and Assistance Act, 1993 (Act No. 126 of 1993); or (ii) the Restitution of Land Rights Act, 1994 (Act No. 22 of 1944); (b) holds the property subject to the Communal Property Associations Act, 1996 (Act No. 28 of 1996); or (c) holds or acquires the property in terms of such other land tenure reform legislation as may pursuant to section 25(6) and (7) of the Constitution be enacted after the Act has taken effect.
Land tenure right	A land tenure right as defined in section 1 of the Upgrading of Land Tenure Rights Act, 1991 (Act No. 112 of 1991)
Legal entity	In law an entity is something which is capable of bearing legal rights and obligations, has a distinct separate existence.
Local community	<p>In relation to a municipality:</p> <ul style="list-style-type: none"> (a) means that body of persons comprising: <ul style="list-style-type: none"> (i) the residents of the municipality; (ii) the ratepayers of the municipality; (iii) any civic organisations and non-governmental, private sector or labour organisations or bodies which are involved in local affairs within the municipality; and (iv) visitors and other people residing outside the municipality who, because of their presence in the municipality, make use of services or facilities provided by the municipality. (b) includes, more specifically, the poor and other disadvantaged sections of such body of persons.

Local municipality	Means a municipality that shares municipal executive and legislative authority in its area with a district municipality within whose area it falls, and which is described in section 155(1) of the Constitution as a category B municipality.
Market value	In relation to a property, means the value of the property determined in accordance with section 46 of the Act.
MEC for Local Government	Means the member of the Executive Council of a province who is responsible for local government in that province.
Mining property	A property used for mining operations as defined in the Mineral and Petroleum Resources Development Act, 2002 (Act No 28 of 2002);
Minister	Means the cabinet member responsible for local government.
Multiple purposes	In relation to a property, means the use of a property for more than one purpose, subject to section 9
Municipal Council or Council	Means the Municipal Council of Dr Nkosazana Dlamini Zuma Local Municipality.
Municipal Finance Management Act	Means the Local Government: Municipal Finance Management Act 2003 (Act No. 56 of 2003).
Municipal Manager	Means a person appointed in terms of section 82 of the Municipal Structures Act.
Municipal owned property	Means property owned by the municipality.
Municipal leases	Means property owned by the municipality and leased to another party. The municipality reserves the right to recover municipal rates against all properties registered in the name of the municipality over which a portion or all of its property is leased either through an existing lease agreement where rates are exclusive or through the provisions of the Act. Rates payable will be based on the property rates category and market value as

contained in the Valuation Roll.

Municipal Structures Act

Means the Local Government: Municipal Structures Act, 1988 (Act No. 117 of 1998).

Municipal valuation

Means a valuation of a rateable property within the municipal area by the Municipal Valuer in terms of the Act.

Municipal Valuer

Means a person designated as a Municipal Valuer in terms of section 33(1) of the Act.

National Building Regulations (NBR)

Means the National Building Regulations and standards Act No. 103 of 1977, as amended.

Occupier

In relation to a property, means a person who occupies the property, whether or not that person has a right to occupy the property.

Office Bearer

In relation to places of public worship, means the primary person who officiates at services at the place of worship

Official residence

In relation to places of public worship –

- (a) a portion of the property used for residential purposes; or
- (b) one residential property, if the residential property is not located on the same property as the place of worship,

Registered in the name of a religious community or registered in the name of a trust established for the sole benefit of a religious community and used as a place of residence for the office bearer;



Organ of state

Means an organ of state as defined in section 239 of the Constitution.

- (a) any department of state or administration in the national, provincial or local sphere of government; or
- (b) any other functionary or institution—
 - (i) exercising a power or performing a function in terms of the Constitution or a provincial constitution; or
 - (ii) exercising a public power or performing a public function in terms of any legislation, but does not include a court or a judicial officer;

Owner

- (a) In relation to a 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;
- (bA) in relation to a time sharing interest contemplated in the Property Time-sharing Control Act, 1983 (Act No. 75 of 1983), means the management association contemplated in the regulations made in terms of section 12 of the Property Time-sharing Control Act, 1983, and published in Government Notice R327 of 24 February 1984;
- (bB) in relation to a share in a share block company, the share block company as defined in the Share Blocks Control Act, 1980 (Act No. 59 of 1980);
- (bC) in relation to buildings, other immovable structures and infrastructure referred to in section 17(1)(f) of the Act, means the holder of the mining right or the mining permit,
- (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 the Act be regarded by a municipality as the owner of a 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 a property in a deceased estate;
- (iii) a trustee or liquidator, in the case of a property in an insolvent estate or in liquidation;
- (iv) a judicial manager, in the case of a property in the estate of a person under judicial management;
- (v) a curator, in the case of a property in the estate of a person under curatorship;
- (vi) a person in whose name a usufruct or other personal servitude is registered, in the case of a property that is subject to a usufruct or other personal servitude;
- (vii) a lessee, in the case of property that is registered in the name of the municipality and is leased by it; or
- (viiA) a lessee, in the case of property to which a land tenure right applies and which is leased by the holder of such right; 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.

Pensioner

(Category of Owner of Property)

Means a person that :

- (a) must be 60 years of age;
- (b) who is the sole owner of the property, or owner jointly with his/her spouse;
- (c) does not own another property within the municipality;
- (d) Refer to qualifying application criteria

Permitted use	<p>In relation to a property, means the limited purposes for which the property may be used in terms of -</p> <p>(a) Any restrictions imposed by:</p> <ul style="list-style-type: none"> (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 <p>(c) Any alleviation of any such restrictions.</p>
Places of public worship	<p>Means property used primarily for the purposes of congregation, excluding a structure that is primarily used for educational instruction in which secular or religious education is the primary instructive medium:</p> <p>Provided that the property is—</p> <ul style="list-style-type: none"> (a) registered in the name of the religious community; (b) registered in the name of a trust established for the sole benefit of a religious community; or (c) subject to a land tenure right;
Prescribe	Means prescribe by regulation in terms of section 83 of the Act.
Property	<p>Means:</p> <ul style="list-style-type: none"> (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/legal entity; (b) a right registered against immovable property in the name of a person/legal entity, excluding a mortgage bond registered against the property; (c) a land tenure right registered in the name of a person/legal entity or granted to a person/legal entity 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	<p>Means those parts of a special nature reserve, national park or nature reserve within the meaning of the Protected Areas Act, or of a national botanical garden within the meaning of the National Environmental Management: Biodiversity Act, 2004 which are not developed or used for commercial, business, residential or agricultural purposes.</p> <p>Means an area that is or has to be listed in the register referred to in section 10 of the Protected Areas Act;</p>
Protected Areas Act	Means the National Environmental Management: Protected Areas Act, 2003.
Public Benefit Organization	Means a property where the dominant activity is 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.
Publicly controlled	<p>Means owned by or otherwise under the control of an organ of state, including:</p> <ul style="list-style-type: none"> (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 Municipal Systems Act.
Public service infrastructure	<p>Means publicly controlled infrastructure of the following kinds:</p> <ul style="list-style-type: none"> (a) national, provincial or other public roads on which goods , services or labour move across a 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 communication system serving the public;
- (g) runways, aprons and the air traffic control unit at national or provincial airports, including the vacant land known as the obstacle free zone surrounding these, which must be vacant for air navigation purposes;
- (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 navigational 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) a right registered against immovable property in connection with infrastructure mentioned in paragraphs (a) to (i).

Public Service Purposes

In relation to the use of a property, means property owned and used by an organ of state as—

- (a) hospitals or clinics;
- (b) schools, pre-schools, early childhood development centres or further education and training colleges;
- (c) national and provincial libraries and archives;
- (d) police stations;
- (e) correctional facilities; or
- (f) courts of law,

but excludes property contemplated in the definition of ‘public service infrastructure

Rate	Means a municipal rate on property envisaged in section 229(1)(a) of the Constitution.
Ratio	In relation to section 19 of the Act, means the relationship between the cent amount in the Rand applicable to residential properties and different categories of non-residential properties: <i>Provided that the two relevant cent amounts in the Rand are inclusive of any relief measures that amount to rebates of a general application to all properties within a property category;</i>
Rebate	In relation to a rate payable on a property, means a discount granted in terms of section 15 of the Act on the amount of the rate payable on the property.
Reduction	In relation to a rate payable on a property, means the lowering in terms of section 15 of the Act of the amount for which the property was valued and the rating of the property at that lower amount.
Register	<p>(a) means to record in a register in terms of –</p> <ul style="list-style-type: none"> (i) the Deeds Registries Act, 1937 (Act No. 47 of 1937); or (ii) the Mining Titles Registration Act, 1967 (Act No. 16 of 1967); and <p>(b) includes any other formal act in terms of any other legislation to record :</p> <ul style="list-style-type: none"> (i) a right to use land for or in connection with mining purposes; or (ii) a land tenure right.
Residential property	A property included in a valuation roll in terms of section 48(2)(b) of the Act in respect of which the primary use or permitted use is for residential purposes without derogating from section 9 of the Act;
Sectional Titles Act	Means the Sectional Titles Act, 1986 (Act No. 95 of 1986).

Sectional title scheme	Means a scheme defined in section 1 of the Sectional Titles Act.
Sectional title unit	Means a unit defined in section 1 of the Sectional Titles Act.
State trust land	Means land owned by the State: <ul style="list-style-type: none"> (a) in trust for persons communally inhabiting the land in terms of a traditional system of land tenure; (b) over which land tenure rights were registered or granted; or (c) which is earmarked for disposal in terms of the Restitution of Land Rights Act, 1994 (Act No. 22 of 1994).
Threshold Value	Means, with reference to impermissible rates and Section (17) (1) (h) of the Act, a municipality may not levy a rate on the first R15, 000 of the market value of a property with a category residential and a Municipal Council may increase this value to a higher market value in terms its annual budget and policy review, which is referred to as the threshold value.
Vacant Land	Means any unimproved land located within the area of an approved planning scheme of the municipality, which is not agricultural property and is not communal property. The value of vacant land must reflect: <ul style="list-style-type: none"> (a) the highest and best use permitted by the scheme, including any consent granted in terms thereof, if the land is situated in the area of a scheme; or (b) the highest and best use permitted in terms of a development approval, if the land does not form part of the area of a scheme, but development rights have been granted in respect of the land.
Unauthorised immovable improvement / development or use	Means any use of a property which is inconsistent with or in contravention with the legal use of the property or any immovable improvement / development or building erected without approval of the municipality in terms of the National Building Regulations and building standards Act No. 103 of 1977 as amended and other related legislation.

3 PART THREE: THE PURPOSE OF THE POLICY

3. The purpose of this policy is to:

- 3.1** Comply with the provisions of the Act, specifically with section 3 thereof;
- 3.2** Give effect to the principles outlined hereunder;
- 3.3** Ensure the equitable treatment of persons liable for rates;
- 3.4** Determine the basis for valuation and to prescribe procedures for the implementation of the Act;
- 3.5** Determine criteria for different property use categories to apply differential rates;
- 3.6** Determine or provide criteria for the determination of categories of owners of properties;
- 3.7** Determine criteria to be applied for granting relief in the form of exemptions, rebates and reductions to categories of properties and categories of owners;
- 3.8** Determine measures to promote local economic and social development; and
- 3.9** Identify which categories of properties the municipality has elected not to rate as provided for in section 7 of the Act.

4 PART FOUR: FUNDAMENTAL PRINCIPLES OF THIS POLICY

The principles of the Act are 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 valuation method of properties; to make provision for an objection and appeal process.

The principles of the policy are to ensure that:

- 4.1** The power of the municipality to impose rates on property within its area will not be exercised in a way that materially and unreasonably prejudices national economic policies, economic activities or the national mobility of goods, services, capital or labour as prescribed in terms of section 229 of the Constitution;
- 4.2** All ratepayers will be treated equitably;

- 4.3** Property rates will be assessed on the market value of all rateable properties within the jurisdiction of the municipality;
- 4.4** Property rates will not be used to subsidize trading and economic services;
- 4.5** The property rates policy will take into account relief measures to address the social and economic needs of the community;
- 4.6** This policy will be developed in consultation with the community and in compliance with a process of community participation in terms of Chapter 4 of the Municipal Systems Act.

5 PART FIVE: IMPLEMENTATION OF THIS POLICY AND EFFECTIVE DATE

Policy –

- 5.1** This policy takes effect from 1 July 2024, being the effective date of valuation roll prepared by the municipality in terms of the Act, and must accompany the municipality's budget for the financial year.
- 5.2** The rates policy must be reviewed annually, and if necessary amended by the Council. Such amendments must be effected in conjunction with the municipality's annual budget in terms of sections 22 and 23 of the Municipal Finance Management Act.
- 5.3** The municipality must adopt a set of Property by-laws to give effect to the implementation of its rates policy and such by-laws must be read in conjunction with this policy. The rates by-laws may differentiate between: categories of properties; and Categories of owners of properties.
- 5.4** The adopted Property Rates by-laws must also be reviewed annually, and if necessary be amended by the Council, in conjunction and in accordance with the rates policy.

Methods and frequency of payment of rates –

- 5.5** The Municipality shall recover rates on a monthly basis, together with any supplementary rates.
- 5.6** The Municipality may recover a rate annually, on application, from owners with fifty (50) or more property rates accounts or Government property owners.
 - 5.6.1** Such application to reach the Municipality on or before 30 April of each year.

5.6.2 Such annual amount to be paid by 31 October of each year.

- 5.7 The Municipality may recover a rate annually for National, Provincial Government and Ingonyama Trust owned property.
- 5.8 The payment of rates shall not be affected by reason of objections, an appeal or non-compliance with the rates policy.
- 5.9 The Municipality may publish a number of Supplementary Valuation Rolls during the year, in accordance with Section 78 of the MPRA. The rates, as adjusted by the Supplementary Valuation Roll, will be levied accordingly.

6 PART SIX: EQUITABLE TREATMENT OF RATEPAYERS

- 6.1 The municipality is committed to treating all ratepayers on an equitable basis. The circumstances of each category of owner or category of property will be considered in a fair manner and within the limitations set out in the Act. The municipality must adopt measures to ensure equitable and fair treatment of ratepayers.
- 6.2 Any differentiation in the levying of rates must not constitute unfair discrimination.

7 PART SEVEN: DISCRETIONARY DECISIONS ADOPTED BY THE MUNICIPALITY WITH RESPECT TO LEVYING PROPERTY RATES

- 7.1 To levy rates on all rateable property in its area of jurisdiction;
- 7.2 To determine the date of valuation for the valuation roll which was set by Council as 1 July 2021;
- 7.3 The current general valuation roll was implemented on 1 July 2022 and the roll is valid for a five year period, to 30 June 2027;
- 7.4 To levy property rates on a “cent in the rand” on the market value for adopted categories of property;
- 7.5 That the categories of properties for the purpose of differential rating are those specified in this policy document;
- 7.6 The designated municipal valuer is responsible for preparing and updating the valuation roll and supplementary valuation roll;
- 7.7 The designated municipal valuer is responsible for the determination of the category

of property which must be assigned to each property for the levying of rates.

- 7.8** In terms of section 7 (2) (a) (ii) rates will not be levied on any property referred to in paragraphs (a), (b), (e), (g) and (h) of the definition of "public service infrastructure" (PSI), and these properties will not be required to be valued however must be included in the valuation roll;
- 7.9** In terms of section 23 of the Act, a municipality must draw up and maintain a register in respect of properties situated within that municipality, consisting of part A the valuation roll, and part B which must specify which properties on the valuation roll are subject to the relief measures adopted in terms of sections 15, 21, 17 (1) (a), (e), (g), (h), and (i) and rates policy;
- 7.10** The designated municipal valuer will, in preparing a valuation roll in terms of the Act, identify, and recognise property based on information from the Deeds Registry Office, legal registers of property / property rights or any other information readily available to it, provided that the information applied complies with the Act;
- 7.11** The Act, section 8 (2) (i) provides for a category of property - "Property used for multiple purposes and subject to section 9" which in relation to a property, means the use of a property for more than one purpose;
- 7.12** In terms of section 3 (d) of the Act, the municipality has decided that in terms of section 9 of the Act, a property used for multiple purposes must, for rates purposes, be assigned to a category determined by the municipality by applying 9 (1) and either subsection —
- (b) a purpose corresponding with the dominant use of the property; OR
 - (c) multiple purposes in terms of section 8(2)(i).
- 7.13** The municipality has decided that the primary approach to levying rates on property used for more than one purpose is in terms of 9 (1) (c) read with section 8 (2) (i) multiple purposes and value apportionment in terms of section 9 (2) —
- A rate levied on a property assigned in terms of subsection 9 (1)(c) to a category of property used for multiple purposes must be determined by—
- a. apportioning the market value of the property, in a manner as may be prescribed, to the different purposes for which the property is used; and
 - b. applying the rates applicable to the categories determined by the municipality for properties used for those purposes to the different market value apportionments.

- 7.14** The municipality has decided that at the discretion of and calculation by the municipal valuer, the dominant use in terms of 9 (1) (b) may only be used for the rating of property where the dominant use measured as a proportion of all other uses, is more than 95%.
- 7.15** Only one multiple purpose category can be applied to a single property at a time. That is either one must use the multiple purpose of 8(2) (i) with apportioned values based on category uses OR one must use the dominant use approach.
- 7.16** In terms of section 46 (2) of the Act under “valuation criteria” the municipal valuer is entitled to identify and value any unauthorised immovable improvement and any unauthorised use as if it were lawful.
- 7.17** In terms of rates policy any unauthorised immovable improvement and any unauthorised use over a property used for multiple uses may be valued by apportionment and rates levied against the underlying registered owner as recorded in the Deeds registry office.
- 7.18** To determine a market related value for public service infrastructure in accordance with generally recognised valuation practices, methods and standards;
- 7.19** In terms of section 7 (2) (a) (i) of the Act to exclude municipal owned property from being rated, except where leased to a third party, these properties will still be recorded in the valuation roll and valued;
- 7.20** That special rating areas, as envisaged in terms of Section 22 of the Act may be established on application, compliance and by resolution of the council.

8 PART EIGHT: CATEGORIES OF PROPERTIES FOR DIFFERENTIAL RATING PURPOSES

- 8.1** Section 8 of the Act provides that a municipality may, subject to section 19 of the Act and in terms of criteria set out in its rates policy, levy different rates for different specified categories of rateable property, determined in sub-section (2) and (3), which must be determined according to the-
- (a) use of property;
 - (b) permitted use of the property; or
 - (c) a combination of (a) and (b).

In terms of section 8 (1) (a) and subject to section 19, the category of property will be based on (a) the use of the property, also referred to as **actual use** of the property, and any change in actual use of a property may result in a change to the category of property.

8.2 The designated Municipal Valuer of a municipality is responsible for determining the category of property in terms of its adopted rates policy.

8.3 For the purposes of section 8 (2) of the Act read with section 9, the following categories of rateable property have been determined –

- (a) Residential properties;
- (b) Industrial properties;
- (c) Business, commercial properties;
- (d) Agricultural properties;
- (e) Mining properties;
- (f) Properties owned by an organ of state and used for Public Service Purposes (PSP);
- (g) Public service infrastructure;
- (h) Public Benefit Organisation Property

Additional categories determined in terms of section 8 (3) of the Act –

- (k) Municipal;
- (l) Protected areas;
- (m) Places of public worship;
- (n) Vacant Land;
- (o) Unauthorised development or Use;
- (p) Communal Property

Categories of property as determined by the rates policy and contemplated under section 8 (2) (i), will be applied for properties used for multiple purpose, subject to section 9 and any other category of property as may be determined by the Minister, with the concurrence of the Minister of Finance , by notice in the *Gazette*.

8.4 The council may approve further categories of property if required including vacant land: Provided that, with the exception of vacant land, the determination of such property categories does not circumvent the categories of rateable property that must be determined in terms of subsection (2).

- 8.5** Where a municipality can, on good cause, show that there is a need to sub-categorise the property categories listed in subsection (2), a municipality must apply to the Minister in writing for authorisation to create one or more of such sub-categories.
- 8.5.1** Such application -
- 8.5.1.1** must be accompanied by a motivation for such sub-categorisation;
 - 8.5.1.2** demonstrate that such sub-categorisation is not contravention of section 19 of the Act and
 - 8.5.1.3** reach the Minister at least 15 months before the start of the municipal year in which the municipality envisages levying a rate on such sub-categorised property.
- 8.6** It is recorded that in terms of section 19 (1) of the Act, a municipality may not levy:
- 8.6.1** (a) different rates on residential properties, except as provided for in sections 11 (2) and 21 and 89 of the Act;
 - 8.6.2** (b) a rate on a category of non-residential properties that exceeds a prescribed ratio to the rate on residential properties determined in terms of section 11(1)(a) of the Act, provided that different rates may be set in respect of different categories of non-residential properties;
 - 8.6.3** (c) rates which unreasonably discriminate between categories of non-residential properties; or
 - 8.6.4** additional rates except in special rating areas as provided for in section 22 of the Act.
 - 8.6.5** In terms of section 19 (2) of the Act and the rates policy, the ratio referred to in section 19.1.b are the prescribed ratios gazetted and any directives issued by the Minister of Finance and/or the National Department of Cooperative Governance.
- 8.7** Differential rating among the above determined categories of properties will be undertaken by way of setting different cent amounts in the rand for each property category within the municipal budgetary processes.
- 8.8** The criteria for weighting the categories determined above, for the purpose of determining rate randages for each category, must take account of the following :
- 8.8.1** The perceived affordability factor for the different categories of property;
 - 8.8.2** The strategic importance of a category of property with reference to the aims and objectives of the Council and the Government of the Republic as a whole (such as social, economic and developmental issues).
 - 8.8.3** Prescribed ratios

- 8.9 Where a property is abandoned, developed or used in contravention of the Municipality's bylaws and regulations, the Municipality shall change its category to the Unauthorised Development Use category, notwithstanding any other remedies available via any other Act, Bylaw or Regulation.

9 PART NINE: RELIEF MEASURES FOR RATEPAYERS

- 9.1 The municipality has considered the need and desire to grant relief to specific categories of owners of properties and owners of specific categories of properties with a view to providing appropriate measures to alleviate the rates burden on them. The Municipality therefore grants Exemptions, Rebates and Reductions, on categories of owners, based on local conditions and circumstances. No category of owner shall qualify for multiple rebates.
- 9.2 The municipality will not grant relief in respect of the payment of rates other than by way of an exemption, rebate or reduction provided for in this policy and granted in terms of section 15 of the Act to:
- 9.2.1 A specified category of property; or
 - 9.2.2 A specified category of owner of property as provided for hereunder.
- 9.3 The municipality will not grant relief to the owners of property on an *ad hoc* or individual basis. For the purposes of rates policy, the Municipality has determined the following **categories of owners (of property)** COOP with criteria for relief measures included under Part 10 –
1. Indigent Owner
 2. Pensioner Owner
 3. Child Headed Household
 4. Property owned by public benefit organisation
 5. Owners of properties affected by a disaster or other serious adverse social or economic conditions
 6. Owner of a nature reserve / conservation area / national heritage property
 7. Developer who owns property within the municipality
 8. Owner of Bed and Breakfast, guest houses and back packer lodge
 9. Owner of residential property
 10. Owner of Communal Property as defined in the rates policy
 11. Land Reform Beneficiary Owner

10 PART TEN: CRITERIA FOR GRANTING RELIEF MEASURES FOR CATEGORIES OF OWNERS OF PROPERTY.

The municipality has identified the following use categories of properties and the requisite criteria for the purposes of granting exemptions, rebates or reductions to the owners of these categories of property in terms of section 15 of the Act:

10.1 Indigent Owners		
10.1.1 Criteria	In order to qualify as an indigent owner, the owner must:	
	(a)	Be the sole owner of the property or own the property jointly with his/her spouse;
	(b)	Live permanently on the property;
	(c)	Not own any other property within the municipality;
	(d)	Have an income threshold as defined in the Indigent Policy and be listed in the Indigent Register;
	(e)	Make application annually on the prescribed form and within the prescribed period and submit a valid RSA bar coded ID
10.1.2 Relief Granted	Fully exempted to qualifying applicants	100% rebate

10.2 Pensioner Owners		
10.2.1 – Criteria	In order to qualify as a pensioner owner, the owner must:	
	(a)	Be at least 60 years of age;
	(b)	For a residential category of property be the sole owner of the property or own the property jointly with his/her spouse;
	(c)	Not be granted more than one pensioner rebate at a time;
	(d)	Live permanently on the property;
	(e)	Make application annually on the prescribed form and within the prescribed period and submit a valid RSA bar coded ID.
10.2.2 – Relief Granted		
Catagory 1	A Single person with an asset threshold not exceeding R 500 789.87 and an aggregate gross annual income not greater than R 34 841.10	100%

	A Married person with a combined asset threshold not exceeding R 1 001 283.23 and a combined aggregate gross annual income not greater than R 64 686.83.	
Catagory 2	<p>A Single person with an asset threshold not exceeding R 1 003 900.45 and an aggregate gross annual income not greater than R 69 684.82</p> <p>A Married person with a combined asset threshold not exceeding R 2 002 569.05 and a combined aggregate gross annual income not greater than R 129 352.68.</p>	75%
Catagory 3	<p>A Single person with an asset threshold not exceeding R 1 502 370.89 and an aggregate gross annual income not greater than R 104 527.24.</p> <p>A Married person with a combined asset threshold not exceeding R 3 003 876.78 and a combined aggregate gross annual income not greater than R 194 029.04.</p>	50%

10.3 Child-Headed Households

10.3.1 Criteria	A household may be recognized as a child-headed household if it is deemed to fit the definition as contained at the beginning of this policy, and the owner must -	
	(a) Live permanently on the property;	
	(b) May not own any other property within the municipality;	
	(c) Make application annually on the prescribed form and within the prescribed period and submit a valid RSA bar coded ID.	
10.3.2 Relief Granted	Fully exempted to qualifying applicants	100% rebate

10.4 Properties Owned by Public Benefit Organisations (PBO)		
10.4.1 Criteria	In order to qualify owners shall be registered as a Public Benefit Activities as listed in Part 1 of the 9 th Schedule to the Income Tax Act and must -	
	(a)	Make application in writing annually in the prescribed format;
	(b)	Provide proof of ownership of the property and registration as a Public Benefit Organisation in terms of the Income Tax Act conducting one or more of the following specified public benefit activities listed in Part 1 of the 9 th Schedule: <ul style="list-style-type: none"> • welfare and humanitarian; or • health care; or • education.
	(c)	Owners of property meeting the criteria shall pay the PBO category of property tariff as published annually.
10.4.2 Relief Granted	The Public Benefit Organisation meeting the above criteria shall be 100% exempted from the payment of rates. The exemption will include rebate granted on Part 11 of the policy.	

10.5 Owners of properties affected by a disaster or other serious adverse social or economic conditions		
10.5.1 Criteria	The owner of any category of property may make application for the consideration of a reduction in the municipal valuation of his/her property as contemplated in section 15 of the Act, where it is contended that the market value of the property is being affected by -	
	(a)	A disaster within the meaning of the Disaster Management Act (57 of 2002); or
	(b)	Any other serious adverse social or economic conditions as may be defined and determined by the Council.
	(c)	To retain the relief the owner must apply annually for a review in April, preceding the year of rates implementation. The municipal valuer may at his/her discretion amend the market value if the property is reinstated and deemed habitable.

10.5.2 Relief Granted	<p>The relief provided will be in the form of a reduction in the municipal valuation of the property in relation to a certificate issued for this purpose by the Municipal Valuer, effective from the date of the disaster.</p> <p>The resultant reduction in the quantum of the rates payable will be for the current financial year only and calculated on a pro-rata basis from the date of the disaster or adverse conditions to the end of the financial year.</p>
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10.6 Owners of nature reserves / conservation areas / national heritage property	
10.6.1 – Criteria	<p>Owners of Nature Reserves, Conservation areas and National Heritage property which are proclaimed in terms of National legislation can qualify for a rates concession, subject to an application and evidence being submitted by the owner and on approval by the municipality.</p>
(a)	Existing and Newly Proclaimed Nature Reserves / Conservation areas / National Heritage Property may qualify for a concession upon application and production of the relevant evidence of Proclamation by the owner.
(b)	Nature Reserves/ conservation areas not Proclaimed and without evidence of Proclamation as aforesaid, shall be categorised and rated as vacant land or agricultural property based on the definitions and at the discretion and determination of the municipal valuer.
(c)	The applicant must attach evidence and information in support of their application claiming Nature reserve or conservation status.
(d)	<p>An area within a municipality may also be classified as a nature reserve, conservation area or heritage property for the purpose of rating if on application by the owner –</p> <ul style="list-style-type: none"> i) The municipality considers that the areas is environmentally sensitive and of significant importance; ii) The land is zoned for conservation purposes or an environmental servitude has been registered in favour of the Municipality over the environmentally sensitive area, and; iii) The landowner, with the assistance of the Municipality, prepares and implements an approved management plan aimed at protecting and improving the local environment.

	(e)	In cases where a Nature reserve, Conservation area or heritage property is developed and is used for more than one purpose the municipal valuer will apply the multiple purpose use approach in terms of sections 9 (1) (c), 8 (2) (i) and apportion the different use values in terms section 9 (2) of the Act.
10.6.2 – Relief Granted	Rates exemption over whole or portion of the property on application recognised as nature reserves / conservation areas / national heritage property	

10.7 Developers who own property within the municipality		
10.7.1 – Criteria		In order to stimulate Development in certain key development nodes of the municipality, which are identified and defined by the municipality's approved Economic Spatial Plan, Developers shall be afforded a rebate, as approved by Council at its annual budget, subject to the following criteria -
	(a)	The development must fall within a development node approved by Council and must be Council approved investment development;
	(b)	The developer must register the development for the rebate at least (four months) prior to the submission of building plans to the Planning and Development Department;
	(c)	The rebate will apply to the development land only;
	(d)	The developer must submit a report at the end of the Municipal financial year indicating the progress of development;
	(e)	The rebate – a) shall be limited to three years from the date the development plan is approved, nothing further, b) shall only apply to the development land owned by the developer in accordance with the applicable rates account on which plans have been approved by the municipality c) excludes bulk services development.
	(f)	Major national projects undertaken by the State or organ of State may be granted a rebate as determined by the Council.

10.7.2 Rebate Granted	Percentage Rebate: 50%
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10.8 Bed and Breakfast, guest houses and back packer lodges											
10.8.1 – Criteria	<p>On Application, Bed and Breakfast, Guesthouse establishments, and Back-packers lodges may receive a rebate as determined by Council at its annual budget. All other accommodation establishments operating as a business will not qualify for a rebate.</p> <table> <tr> <td>(a)</td><td>For the types listed an annual application must be made by 30 June preceding the start of the new financial year for which relief is sought.</td></tr> <tr> <td>(c)</td><td>A Bed & Breakfast / Guesthouse / Back-packer lodge must be registered with Tourism KwaZulu – Natal and a local Community Tourism Organisation (CTO). In the absence of a CTO, then the establishment must be registered with a recognised Tourism Industry body;</td></tr> <tr> <td>(d)</td><td>A Bed & Breakfast / Guesthouse / Back-packer lodge must offer accommodation facilities and dining facilities only to registered guests. Establishments that in addition, offer conferencing, spa's, hair salons etc. will not qualify;</td></tr> <tr> <td>(e)</td><td>For the types listed the applicant must provide details of the establishment in respect of total size of developed property, total number of rooms, and facilities available;</td></tr> <tr> <td>(f)</td><td>To qualify the use and improvements must be legally approved by the municipality.</td></tr> </table>	(a)	For the types listed an annual application must be made by 30 June preceding the start of the new financial year for which relief is sought.	(c)	A Bed & Breakfast / Guesthouse / Back-packer lodge must be registered with Tourism KwaZulu – Natal and a local Community Tourism Organisation (CTO). In the absence of a CTO, then the establishment must be registered with a recognised Tourism Industry body;	(d)	A Bed & Breakfast / Guesthouse / Back-packer lodge must offer accommodation facilities and dining facilities only to registered guests. Establishments that in addition, offer conferencing, spa's, hair salons etc. will not qualify;	(e)	For the types listed the applicant must provide details of the establishment in respect of total size of developed property, total number of rooms, and facilities available;	(f)	To qualify the use and improvements must be legally approved by the municipality.
(a)	For the types listed an annual application must be made by 30 June preceding the start of the new financial year for which relief is sought.										
(c)	A Bed & Breakfast / Guesthouse / Back-packer lodge must be registered with Tourism KwaZulu – Natal and a local Community Tourism Organisation (CTO). In the absence of a CTO, then the establishment must be registered with a recognised Tourism Industry body;										
(d)	A Bed & Breakfast / Guesthouse / Back-packer lodge must offer accommodation facilities and dining facilities only to registered guests. Establishments that in addition, offer conferencing, spa's, hair salons etc. will not qualify;										
(e)	For the types listed the applicant must provide details of the establishment in respect of total size of developed property, total number of rooms, and facilities available;										
(f)	To qualify the use and improvements must be legally approved by the municipality.										
10.8.2 – Rebate Granted	Percentage Rebate: 68%										

10.9 Owners of Residential Properties with a Market Value Below a Prescribed Municipal Valuation Threshold	
10.9.1 Criteria	<p>It is recorded that in terms of section 17(1)(h) of the Act that the levying of rates on the first R15,000 of the market value of a residential property is impermissible.</p> <p>The municipality can adopt a further discretionary value reduction in addition to the mandatory R15,000 for all residential category of</p>

	<p>property. The total value reduction for all residential category of property adopted by the municipality, is known as the threshold value. Rates are exempted up to the threshold value amount which is determined annually through the municipal budgetary process. The threshold value amount is R 50,000, which is exempt from rates by all residential categories of property.</p>
10.9.2 Relief Granted	<p>The owner of a property in meeting the above criteria is exempted from the payment of rates on the threshold value determined by the Council in terms of its annual budget adopted.</p> <p>Threshold value R 50,000 = Impermissible value (R15,000) + added discretionary value (R35,000).</p>

10.10 Owners of Communal property as defined in the rates policy	
10.10.1 – Criteria	The owner/s of Communal property may qualify for a rates rebate, subject to completing and applying for assessment and approval by the municipality.
	(a) The owner must annually make application to the municipality by 30 June for the rates rebate consideration.
	(b) The application must be signed by the owner or if there is more than one owner or owned by company or trust, signed by the authorised representative which must accompany a resolution authorising the representative to sign on behalf of the entity.
	(c) Additional information may be required by the municipality in support of the application as determined by the municipality pertaining to property rights and use/s of the communal property if the property is used for more than one purpose.
	(d) The communal property owner may be required to submit a building development management strategy to support compliance with municipal by-laws, regulations and legislation.
	(e) In cases where the communal property is used for more than one purpose, rates will be determined subject to sections 8(2)(i) and 9 (1) (c) read with the rates policy, based on the apportioned values of the different uses in terms section 9 (2) of the Act.
10.10.2 – Relief Granted	<p>Percentage Rebate –</p> <p>First year of qualifying – 75%</p> <p>Thereafter a rebate of – 50% for qualifying applicants</p>

10.11 Land Reform Beneficiary Owner		
10.11.1 Criteria	In order to qualify as a land reform beneficiary, the owner must:	
	(a)	Be the sole owner of the property or own the property jointly with his/her spouse;
	(b)	Live permanently on the property;
	(c)	Not own any other property within the municipality;
	(d)	Comply with the definition of land reform beneficiary and provide all necessary proof of ownership in terms the MPRA and legislation for recognition;
	(e)	Make application annually on the prescribed form and within the prescribed period and submit a valid RSA bar coded ID
10.11.2 Relief Granted	Fully exempted to qualifying applicants	Governed by legislative relief - section 17(1)(g) of the Act. Rates will become liable and levied in accordance with the legislation.

10.12 Properties Situated Outside of the Proclaimed Boundaries of the Townlands of Himeville, Underberg, Bulwer, Creighton and Donnybrook: Non-agricultural	
10.12.1 Criteria	The owner of a property situated outside of the proclaimed boundaries of the townlands of Himeville, Underberg, Bulwer, Creighton and Donnybrook, excluding properties classified as agricultural properties, shall receive apart from any other rebates, reductions and exemptions that may be applicable, a rebate in lieu of the limited municipal services available to such properties.
10.12.2 Rebate Granted	5%

10.13 Properties Situated Outside of the Proclaimed Boundaries of the Townlands of Himeville, Underberg, Bulwer, Creighton and Donnybrook: Agricultural	
10.13.1 Criteria	The owner of a property situated outside of the proclaimed boundaries of the townlands of Himeville, Underberg, Bulwer, Creighton and Donnybrook classified as agricultural properties, shall receive apart from any other rebates, reductions and exemptions that may be applicable, a rebate in lieu of the limited municipal services available to such properties.

11.6.2 Rebate Granted	5%
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The above rates relief application criteria for categories of owner of property shall be subject to the following conditions –

- (i) All applications for relief must be in writing in the prescribed form of the municipality and must reach the Municipality in accordance with the rates policy criteria and adopted council budget resolutions for the year of rates implementation;
- (ii) The Municipal Manager or his/her nominee must process and approve compliant applications;
- (iii) The Municipality retains the right to refuse a rebate, reduction or exemption if the details supplied on the application form are incomplete, incorrect or false;
- (iv) Where applicable for relief the use of any land or buildings, or any part thereof, shall not be for the private pecuniary benefit of any individual, whether as a shareholder in a company or otherwise;
- (v) Where applicable for relief, if during the currency of any financial year, any such land or building is used for any purpose other than the purpose for which it was so exempted or relief granted, the Municipality shall impose rates thereon or on such portion so used, at a rate proportionate to the period of such use; and
- (vi) Once the Application is granted, the Applicant is required to submit annually, an affidavit confirming the use or ownership of the property as the case may be.

11 PART ELEVEN: COMMUNITY PARTICIPATION

11.1 It is recorded that the municipality may only adopt its rates policy or any amendment thereof or any review of its policy after following a process of community participation in accordance with Chapter 4 of the Municipal Systems Act, as well as sections 4 and 5 of the Act. These provisions include:

11.1.1 Building capacity of the local community to enable it to participate in the affairs of the municipality; and

11.1.2 To foster community participation for which the municipality will allocate funds in its budget for such processes.

11.2 Participation by the local community in municipal affairs will take place through the political structures of the municipality; the mechanisms, processes and procedures for participation in municipal governance and any other appropriate mechanisms processes and procedures established by the municipality.

11.3 The municipality will provide for:

11.3.1 The receipt, processing and consideration of petitions, objections and comments lodged by the members of the local community;

11.3.2 Public meetings and hearings by the Council and other political structures (e.g. ward committees) and political office bearers of the municipality;

11.3.3 Consultative sessions with locally recognized community organizations and where appropriate traditional authorities.

11.4 Communication with the public relating to the rates policy will be in terms of section 4(2) of the Act by notice in:

11.4.1 Local newspapers circulating in its area and determined by the council as a newspaper of record; and/or

11.4.2 Official notice boards and other public places accessible to the public including the library and the municipal offices; and

11.4.3 Inviting the local community to submit comments and representations within the time specified in the notice;

11.4.4 Publication of the relevant documentation of the municipal website.

12 PART TWELVE: RECOVERY OF RATES

- 12.1** The following shall be liable for the payment of rates levied by the municipality:
- 12.1.1** Owner of a property;
 - 12.1.2** Joint owners of a property, who shall be liable jointly and severally;
 - 12.1.3** The owner of a sectional title unit; and
 - 12.1.4** In relation to agricultural properties:
 - 12.1.4.1** any one joint owner of the agricultural property for all the rates levied on the agricultural property; or
 - 12.1.4.2** Each individual joint owner for that portion of rates levied on the joint owner's undivided share in the agricultural property, whichever option the municipality may choose in relation to agricultural properties.
- 12.2** In terms of section 26 of the Act the municipality will recover rates:
- 12.2.1** on an installment basis; or annually, as may be agreed between the parties.
- 12.3** The municipality will furnish each person liable for the payment of rates with a written account in terms of section 27 of the Act.
- 12.4** The municipality may recover rates in arrears from tenants and occupiers in accordance with the provisions of section 28 of the Act.
- 12.5** The municipality may recover rates due, either whole or in part, from the agent of the owner if this is more convenient for the municipality and in terms of section 29 of the Act.
- 12.6** Rates must be paid on or before a date determined by the municipality. The municipality may impose interest on overdue amounts.
- 12.7** The procedures regarding the determination of rates or any portion that are outstanding and the processes to be followed to recover such amounts are contained within the municipality's Credit Control Policy and Debt Collection Policy.

13 PART THIRTEEN: CONSOLIDATION AND APPORTIONMENT OF PAYMENTS

- 13.** Separate accounts of persons liable for payment to the municipality for either rates or services may be consolidated in one account and any appropriation of payments will be done in accordance with the municipality's credit control policy.

14 PART FOURTEEN: DEFERMENT OF RATES

- 14.** The municipality may on application defer the payment of rates in terms of section 26(3) of the Act but only in special circumstances which may be prescribed by the Council.

15 PART FIFTEEN: IMPERMISSIBLE RATES IN TERMS OF SECTION 17 OF THE ACT

- 15.1** It is recorded that the municipality may not, in terms of section 17 of the Act levy a rate on:

- 15.1.1** the first 30% of the market value of public service infrastructure;
- 15.1.2** 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 municipality –
 - (i) for residential properties; or
 - (ii) for properties used for multiple purposes, provided one or more components of the property are used for residential purposes; or
- 15.1.3** A 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.
- 15.1.4** The Minister, acting with the concurrence of the Minister of Finance, may from time to time by notice in the *Gazette*, increase the monetary threshold referred to in subsection 15.1.2 to reflect inflation.
- 15.1.5** The Minister may, by notice in the *Gazette*, lower the percentage referred to in subsection 15.1.1 but only after consultation with –
 - (i) Relevant Cabinet members responsible for the various aspects of public service infrastructure;
 - (ii) Organized local government; and
 - (iii) Relevant public service infrastructure entities.
- 15.1.6** The exclusion from rates of a property referred to in subsection 15.1.3 lapses if the property –
 - (i) Is disposed of by the religious community owning it; or

- (ii) Is no longer used primarily as a place of public worship by a religious community or, in the case of an official residence contemplated in that subsection, is no longer used as such an official residence.

15.1.6.1 If the exclusion from rates of a property used as such an official residence lapses, the religious community owning the property becomes liable to the municipality concerned for any rates that, had it not been for subsection 15.1.3 would have been payable on the property during the period of one year preceding the date on which the exclusion lapsed.

15.1.6.2 The amount for which the religious community becomes liable in terms of paragraph 15.1.6.1 must be regarded as rates in arrears, and the applicable interest on that amount is payable to the municipality.

16 PART SIXTEEN: CONSTITUTIONALLY IMPERMISSIBLE RATES

16.1 The Act provides that in terms of section 229(2)(a) of the Constitution a municipality may not exercise its power to levy rates on property in a way that would materially and unreasonably prejudice -

16.1.1 national economic policies;

16.1.2 economic activities across its boundaries; or

16.1.3 the national mobility of goods, services, capital or labour.