

**PROPERTY RATES TARIFF**

1. That the determination of fees payable to the City of Tshwane Metropolitan Municipality for property rates approved by Council Resolution 27 May 2010, be withdrawn with effect from 1 July 2011.
2. That the determination of fees as set out in Annexure A.1 be determined, in terms of the provision of section 75A (1) of the Local Government: Municipal System Act, 2000 (Act 32 of 2000), as amended.
3. That the determination contemplated in paragraph 2. takes effect on 1 July 2011.
4. That notice of the withdrawal and determination be given in terms of the provisions of sections 75A(3)(a), (b) and (c) of the foregoing Act.
5. That notice in terms of paragraph 4. above be published in the relevant newspapers.

## CITY OF TSHWANE METROPOLITAN MUNICIPALITY

## NOTICE OF DETERMINATION OF CHARGES PAYABLE TO THE CITY OF TSHWANE METROPOLITAN MUNICIPALITY FOR PROPERTY RATES

The City of Tshwane Metropolitan Municipality hereby gives notice in terms of the provisions of section 75A(1) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000), as amended, read with section 2 of the Municipal Property Rates Act, 2004 (Act 6 of 2004) and the Property Rates Policy of the City of Tshwane Metropolitan Municipality approved by Council, that a resolution was passed by Council on \_\_\_\_\_ 2011 that the charges payable to the Municipality for Property Rates for the financial year 1 July 2011 to 30 June 2012 will be as set out in the SCHEDULE below.

NOTICE \_\_\_\_\_ of 2011  
DATE

OUPA NKOANE  
ACTING CITY MANAGER

**PROPERTY RATES  
SCHEDULE**

The property rates tariffs summarised for the financial year 1 July 2011 to 30 June 2012 are as follows:

Category	Rate c in R	Exemptions, Reductions & Rebates
Residential properties	1,209	A total rebate of R50 000 will be granted on the value of the property (R15 000 impermissible according to the Municipal Property Rates Act plus a further R35 000 according to the municipality's Property Rates Policy). A further 35% rebate will be granted on the property tax payable.
Business and commercial	2,418	
Industrial	2,418	
Municipal property	1,209	Exemptions, reductions and Rebates according to category of use.
State-owned property	2,418	
Agricultural	0,196	
Multiple use	Rate according to apportionment of category of use	Exemptions, reductions and Rebates according to category of use.
Vacant land	5,370	
Non-permitted use	6,045	
Public benefit organization properties	0,196	
Independent Schools	0,196	
Educational Institutions	2,418	
Mining	2,418	
Echo-tourism and Game Farm	2,418	
Public Worship	-	
Public Service Infrastructure	-	
Protected areas	-	
State Trust Land	-	

**EXCLUSION FROM RATES**

The City of Tshwane Metropolitan Municipality will not levy rates on the following:

- (a) Public Service Infrastructure;
- (b) Public Worship
- (c) Protected areas
- (d) State Trust Land
- (e) On 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, agricultural or residential purposes;
- (f) On mineral rights within the meaning of paragraph (ii) of the definition of "property" in section 1 of this rates policy;
- (g) On a property belonging to a land reform beneficiary or his or her heirs, provided that this exclusion lapses ten years from the date on which such beneficiary's title was registered in

the office of the Registrar of Deeds;

- (h) On the first R15 000 of the market value of a property assigned in the valuation roll or supplementary valuation roll of a municipality to a category determined by the municipality-
- for residential properties; and
  - for properties used for multiple purposes, only on the component of the property that is used for residential purposes
- (i) On 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; and
- (j) The property exclusively used and/or occupied by CoT.

In an event of any change in use, ownership and/or status of any nature that may affect the exclusion of rates hereof during a financial year, the beneficiary in receipt of such exclusion from rates must notify the municipality and immediately becomes liable for any rates payable on the property, effective from the date such change may have occurred.

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

Exemptions, Reduction and Rebates will be given to the different categories of properties and owners as follows:

##### **Different categories of properties**

###### **Residential Properties**

- In addition to the impermissible rates as referred to in paragraph 4(v) above, a further R35 000 reduction on the market value of a property will be granted; and a further
- 35% rebate will be granted on all residential properties (including state owned residential).

###### **Agricultural Properties**

The rate applicable on agricultural property, as prescribed by the Municipal Property Rates Regulations on the Rate Ratio between Residential and Non-Residential that took effect on 1 July 2009, may not exceed the ratio to the rate on residential properties where:

The ratio in relation to residential property is:

Residential property 1:1      Agricultural property 1:0.25

###### **Public Benefit Organisation properties**

The rate applicable on public benefit organisation property, as prescribed by the Municipal Property Rates Regulations published in Government Notice No. R 195 of 12 March 2010 that took effect on 1 July 2010, may not exceed the ratio to the rate on residential properties where:

The ratio in relation to residential property is:

Residential property 1:1      public benefit organisation property 1:0.25

Whereas this rate ratio will be applicable to a property, only on the basis of an approved application in the prescribed format to the Financial Services Department.

### Multiple use properties

Properties in this category will be granted a reduction, rebate and/or exemption applicable in accordance with the apportionment of the value in use in respect of such a property.

No exemptions, reductions or rebates may be granted on the following categories of property:

- Business and Commercial property, excluding Independent schools
- Industrial Property
- Non-permitted Use
- Vacant land irrespective of zoning, except agricultural property
- State Owned Property (excluding government residential property)

### Independent Schools

On the basis of an approved application to the Financial Services Department in the prescribed format, a 20% rebate may be granted to independent schools, and only in the event that the application does not meet the criteria for public benefit organisation property as defined.

### Municipal property (rateable)

Properties in this category will be granted a reduction, rebate and/or exemption applicable only in accordance with the category of such a property.

### Multiple use properties

Properties in this category will be granted a reduction, rebate and/or exemption applicable in accordance with the apportionment of the value in use in respect of such a property.

### Municipal property

Properties in this category will be granted a reduction, rebate and/or exemption applicable only in accordance with the category of such a property.

### **Different categories of owners**

The following owners of rateable property may be granted further rebates on rates as hereunder stipulated.

#### Indigents

100% rebate will be granted to registered indigents in terms of the Indigent Policy of the City of Tshwane Metropolitan Municipality.

#### Pensioners, physically and mentally disabled

- (a) A maximum/total rebate of 50% (on the remaining property tax, after the applicable residential rebates have been granted) will be granted to owners of rateable property subject to total gross income of the applicant and/or his/her spouse, if any, not to exceed the amount equal to twice the annual state pension as approved by the National Government for a financial year; or
- (b) A maximum/total rebate of 40% (on the remaining property tax, after the applicable residential rebates have been granted) will be granted subject to joint income of the applicant and/or his/her spouse if any, not to exceed R100 980 for a financial year, which amount may be reviewed during the City of Tshwane Metropolitan Municipality's annual budget process;

- (c) The rateable property concerned must be occupied only by the applicant and his/her spouse, if any, and by dependants without income;
- (d) The applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, proof of certification by a Medical Officer of Health, also proof of the annual income from a social pension;
- (e) The applicant's account must be paid in full, or if not, an arrangement to pay the debt should be in place; and
- (f) The property must be categorised as residential.

#### Owners temporarily without income

The indigent criterion may be applied temporarily on an approved application in terms of the Indigent Policy of City of Tshwane Metropolitan Municipality.

#### Grants-in-aid

The Municipality may award a 20% grant-in-aid on the assessment rates of independent schools after application to the Chief Financial Officer in the prescribed format for such grant and the application has been approved.

The Municipality may award a 100% grant-in-aid on the assessment rates of rateable properties of the classes hereunder indicated, and after the owner of such property has applied to the Chief Financial Officer in the prescribed format for such grant and the application hereof approved.

Should there arise dissatisfaction in respect of the evaluation result of the application, the matter may be referred to the City Manager of the Council for further review.

The following classes of rateable properties are referred:

- (a) rateable property registered in the name of a welfare organisation registered in terms of the National Welfare Act, 1978 (Act 100 of 1978);
- (b) hospitals, clinics and institutions for mentally ill persons which are not operated with the intention to make profit;
- (c) rateable property registered in the name of an institution or organisation which, in the opinion of the local authority, performs charitable work;
- (d) cemeteries and crematoriums which are not registered in the names of private persons and which are used exclusively for burials and cremations, as the case may be;
- (e) museums, art galleries, libraries and botanical gardens which are not registered in the names of private persons and which are open to public, whether admission is charged or not;
- (f) rateable property registered in the name of a trustee or any organisation which is being maintained for the welfare of war veterans as defined in Section 1 of the Social Aid Act (House of Assembly), 1989 (Act 37 of 1989);
- (g) sports grounds used for the purposes of amateur sport and any social activities which are connected with such sport;
- (h) rateable property registered in the name of the Boy Scouts, Girl Guides, Sea Scouts, Voortrekkers or any organization which is, in the opinion of the municipality, similar or any

rateable property let by a municipality to any such organisation;

- (i) rateable property registered in the name of a declared institution as defined in Section 1 of the Cultural Institutions Act, 1969 (Act 29 of 1969), or the Cultural Institutions Act (House of Assembly), 1989 (Act 66 of 1989).

A grant-in-aid granted in this regard shall not exceed the amount which may be levied as a rate in any financial year in respect of the rateable property concerned.

All reductions and rebates are subject to application and approval for such rebates or reductions as the case may be.

No exemptions, reductions or rebates may be granted on the following categories of property:

Business and Commercial property (except independent schools)  
 Industrial Property  
 Vacant land irrespective of zoning  
 State Owned Property (excluding government residential property)  
 Non-permitted use

### **LEVYING OF RATES:**

#### **Period for which rates may be levied**

When levying rates, a municipality must levy the rate for a financial year, and this rate lapses at the end of the financial year for which it was levied.

The levying of rates must form part of a municipality's annual budget process, and at this time of its budget process review the amount in the Rand of its current rates in line with its annual budget for the next financial year.

A rate levied for a financial year may be increased during a financial year only when required in terms of a financial recovery plan (Section 28(6) of the MFMA).

A rate becomes payable as from the start of a financial year.

#### **Amount due for Rates**

The Municipality shall as part of each annual operating budget determine a rate in the rand for every category.

Rates are levied in accordance with the MPRA 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.

#### **Liability for Rates**

A rate levied by the Municipality on a property must be paid by the owner of the property.

Rates will be levied monthly.

If an amount due for rates levied is unpaid by the owner of the property, the City of Tshwane Metropolitan Municipality may recover the amount from the tenant or occupier of the property.

The amount due for rates may be recovered from the agent of the owner.

Where the rates levied on a particular property have been as a result of a supplementary valuation made in terms of Section 78(1) of the MPRA, these rates will be payable with effect from either of the dates as contemplated in section 78(4) (a), (b), (c) or (d) of the MPRA.

Recovery of rates due will be in accordance with the City of Tshwane Metropolitan Municipality's Debt Collection Policy (credit and debt control).