



PORT ST JOHNS
• MUNICIPALITY •
OUR HERITAGE, OUR PEOPLE

PROPERTY RATES POLICY

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1. INTRODUCTION

- (1) The municipality needs a reliable source of revenue to provide basic services and perform its functions. Property Rates remain a major source of income to the municipality. The revenue from rates is used to finance services that benefit the community as a whole as opposed to individual households. These include constructing and maintaining streets, roads, lights, storm water drainage, developing and operating parks, recreational facilities and cemeteries. It also provides funds for municipal administration.
- (2) To ensure that property rating in Port St Johns Municipality is carried out in a fair, consistent, considerate and controlled manner, this rate policy is developed in accordance with the provisions of the Local Government: Municipal Property Rates Act, (Act 6 of 2004).

2. DEFINITIONS

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

“Municipality” means the municipality of Port St Johns Local Municipality.

“Agricultural Purposes” in relation to the use of a property, excludes the use of a property for the purpose of eco-tourism or for the trading in or hunting of game.

“Business” means the activity of buying, selling or trade in goods or services and includes any office or other accommodation on the same erf, the use of which is incidental to such business, with exclusion of the business of mining, agriculture, farming, or inter alia, any other business consisting of cultivation of soils, the gathering in of crops or the rearing of livestock or consisting of the propagation and harvesting of fish or other aquatic organism.

“Market value”, in relation to a property, means the value of the property determined in accordance with section 46.

“Dominant Use” In the case of property used for multiple purposes, the use that dominates in terms of area used for such purpose. Where equal sizes are allocated to different uses, the use that commands the highest rate tariff shall be deemed to be the dominant use.

“Industrial” means a branch of trade or manufacturing, production assembling or processing of finished or partially finished products from raw materials or fabricated part, on so large scale that capital and labour are significantly involved.

“Land reform beneficiary” in relation to a property, means a person who-

Acquired the property through-

- (a) The provision of land assistance act, 1993 (Act No. 126 of 1993) or
- (b) The Restitution of Land Rights Act, 1994 (Act No. 22 of 1994)
- (c) Holds the property subject to the Communal Property Association Act, 1996 (Act No 28 of 1996), or
- (d) Holds or acquires the property in terms of such other land tenure reform legislation as may in pursuant to section 25(6) and (7) of the constitution be enacted after this Act has taken effect.

“Multiple purposes”, in relation to a property, means the use of a property for more than one purpose.

“Newly ratable property”, means any ratable property on which property rates were not levied before the end of the financial year preceding the date on which this Act took effect, excluding:

- (a) A property which was incorrectly omitted from a valuation roll and for that reason was not rated before that date, and
- (b) A property identified by the Minister by notice in the Gazette where the phasing-in of a rate is not justified.

“Owner”,- In relation to a property referred to in paragraph (a) of the definition of “property”, means a person in whose ownership of the property is registered.

- (a) 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.
- (b) In relation to 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
- (c) 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”.
- (d) Provided that a person mentioned below may, for the purposes of this 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 trust excluding state trust land
 - (ii) A trustee or liquidator, in the case of a property in an insolvent estate or in liquidation.
 - (iii) An executor or administrator, in the case of a property in deceased's estate.
 - (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 state 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 a property that is registered in the name of a municipality and is leased by it or
- (viii) A buyer, in the case of a property that was sold by a municipality and which possession was given to the buyer pending registration of ownership in the name of the buyer.

“Permitted use”, in relation to a property, means the limited purpose for which the property may be used in terms of –

- (a) Any restrictions imposed by-
 - (i) A condition of title
 - (ii) A provision of a town planning or land use scheme or
- (b) Any legislation applicable to any specific property or properties, or
- (c) Any alleviation of any such restrictions

“Property”, means- 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

A right registered against immovable property in the name of a person, excluding a mortgage bond registered against property,

A land tenure right registered in the name of a person or granted to a person in terms of legislation

Public service infrastructure

“Protected area”, means an area that is or has to be listed in the register referred to in section 10 of the Protected Area Act.

“Public services infrastructure”, means publicly controlled infrastructure of the following kinds:

- (a) National, provincial or other public roads on which goods, services and 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 for gas or liquid fuels, forming part of a scheme for transporting such fuels
- (e) Railway lines forming part of a national railway system

- (f) Communication towers, masts, exchanges or lines forming part of a communications system serving the public
- (g) Runways or aprons at national or provincial airports
- (h) Any other publicly controlled infrastructure as may be prescribed
 - (i) Rights of way, easements or servitudes in connection with infrastructure mentioned in paragraphs(a) to (i)

“Rate” means, municipal rate on property envisaged in section 229(i)(a) of the constitution

“Rateable property”, means property on which a municipality may in terms of section 2 levy a rate, excluding property fully excluded from the levying of rates in terms of section 17

“Rebate”, in relation to a rate payable on a property, means a discount granted in terms of section 15 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 amount for which the property was valued and the rating of the property at that lower amount.

“Residential property”, means a property included in a valuation roll in terms of section 48 (2) (b) as residential

“Residential” means a suite of rooms which forms a living unit that is exclusively used for human habitation purposes, or a multiple number of such units on a property, excluding a hotel, commune, boarding and under taking, hostels and place of instruction.

“State-owned properties” means properties owned by the State, which are not included in the definition of public service infrastructure in the Act. These state-owned properties are classified as follows:

- (a) State properties that provide local services
- (b) State properties that provide regional/municipal district-wide/metro-wide services
- (c) State properties that provide provincial/national services

“Specified public benefit activity”, means an activity listed in item 1 (welfare and humanitarian), item 2 (health care) and item 4 (education and development) of Part 1 of the Ninth Schedule to the Income Tax Act.

“Vacant land” means a land where no immovable improvements have been erected.

3. PROPERTIES TO BE VALUED

- (1) All properties shall be valued except those described in section 7(2) (a) (iii) and (iv) of Act 6 of 2004.
- (2) Section 7(2) (a) (iii) refers to a right registered against property in the name of a person excluding mortgage bond registered against the property and;
- (3) Section 7 (2) (a) (iv) refers to properties in respect of which it is impossible or unreasonably difficult to establish a market value because of legally insecure tenure resulting from past racially discriminatory laws of practices. This shall include all homestead located on communal land.

4. PUBLIC PARTICIPATION PROCESS IN VALUATION:

- (1) All owners of property appearing in the valuation roll shall be served with notices either through post or by any means considered convenient by the municipality inviting them to inspect the valuation roll and raise objection about any particular property if they so desire. If a notice is posted, it will be deemed to have been delivered once posted.

FEE IN TERMS OF SECTION 53 (2)

- (2) Within 30 days of notification of the outcome of an objection to an objector, the Objector may on the payment of an amount of **R500** request the municipality to provide reasons for the decision.

5. PROPERTIES TO BE RATED

- (1) All properties contained in the valuation roll shall constitute the subject of rating subject to the provisions of section 17 (1) of the Municipal Property Rates Act. In terms of the sub section (1) described supra, the exclusions listed below are provided:
- (2) A municipality may not levy a rate-
 - (a) On the first 30% of the market value of public service infrastructure;
 - (b) On any part of the seashore as defined in the Seashore Act, 1935 (Act No. 21 of 1935
 - (c) On any part of the territorial waters of the Republic as determined in terms of the Maritime Zones Act, 1994 (Act No. 15 of 1994);
 - (d) On any islands of which the state is the owner, including the Prince Edward Islands referred to in the Prince Edward Islands Act, 1948 (Act No. 43 of 1948)
 - (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 (h) of the definition of “property” in section 1.
- (g) On a property belonging to a land reform beneficiary or his or her heirs, provided that this exclusion lapse 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-
 - (i) For residential properties; or
 - (ii) For properties used for multiple purposes, provided one or more companies of the property are used for residential purpose; or
 - (l) 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.
- (j) The exclusion from rates of a property referred to in subsection (1) (e) lapses if the declaration of that property as a special nature reserve, national park, nature garden, is withdrawn in terms of the applicable Act mentioned in that subsection.
- (k) If the property in respect of which the declaration is withdrawn is privately owned, the owner, upon withdrawal of the declaration, becomes liable to the municipality concerned for any rates that, had it not been for subsection (1) (e), would have been payable on the property during the period commencing from the effective date of the current valuation roll of the municipality. If the property was declared as a protected area after the effective date of the current valuation roll, rates are payable only from the date of declaration of the property.
- (l) The amount for which an owner becomes liable in terms of paragraph (h) must be regarded as rates in arrears, and the applicable interest on that amount is payable to the municipality.
- (m) Paragraphs (b) and (c) apply only if the declaration of the property was withdrawn because of:
 - (i) a decision by the private owner for any reason to withdraw from the agreement concluded between the private owner and the state in terms of the Protected Areas Act, and in terms of which the private owner initially consented to the property being declared as a protected area; or

- (ii) a decision by the state to withdraw from such agreement because of a breach of the agreement by the private owner.
- (3) If the threshold set in terms of Section 17(1)(h) is increased by the Minister in the course of this financial year, such changes shall take effect from the next financial year.
 - (a) If the Minister by notice in the Gazette, lower the percentage referred to in subsection (1)(a) in the course of this financial year
 - (b) Such a change shall be effected during the next financial year.
- (4) The exclusion from rates of a property referred to in subsection (1)(i) lapses if the property-
 - (a) Is disposed of by the religious community owning it; or
 - (b) 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 as official residence.
- (5) If the exclusion from rates of a property used as such an official lapses, the religious community owning the property becomes liable to the municipality concerned for any rates that, had it not been for subsection (1)(i), would have been payable on the property during the period of one year preceding the date on which the exclusion lapsed.
- (6) The amount for which the religious community becomes liable in terms of paragraph (b) must be regarded as rates in arrears, and the applicable interest on that amount is payable to the municipality.

6. SUPPLEMENTARY VALUATION ROLL

- (1) A municipality must, whenever necessary, cause a supplementary valuation to be made in respect of any rateable property-
 - (a) incorrectly omitted from the valuation roll.
 - (b) included in a municipality after the last general valuation.
 - (c) subdivided or consolidated after the last general valuation.
 - (d) of which the market value has substantially increased or decreased for any reason after the last general valuation.
 - (e) substantially incorrectly valued during the last general valuation; [or] (*Deleted by s33 of Act 19 of 2008*)
 - (f) that must be revalued for any other exceptional reason; [or] (*Amended by s22 of Act 29 of 2014*)
 - (g) of which the category has changed [.] or (*Amended by s26 of Act 29 of 2014*)

(h) the value of which was incorrectly recorded in the valuation roll as a result of a clerical or typing error. *(Added by s26 of Act 29 of 2014)*

7. WITHDRAWAL OF EXCLUSIONS

- (1) Where a property owned by a religious body ceased to be used as a place of worship or as an accommodation used by a full-time employee of the religious organization, such a property shall be deemed as a rateable property from the date it ceased to be used as a place of worship or as a residence of a full-time employee.
- (2) Where a portion of a property owned and utilized by a religious body is leased, rate shall be payable on pro rata basis.
- (3) Properties excluded from rating on the basis that they are nature conservation areas or botanical gardens shall be rated effective from the date of de-proclamation.

8. CONTENTS AND ADOPTION OF RATES POLICY

The policy has been developed on the basis of following principles namely:

- (1) Equity
- (2) Affordability
- (3) Poverty alleviation
- (4) Social and economic development
- (5) Financial sustainability
- (6) Cost efficiency.

9. DIFFERENT CATEGORY OF PROPERTY

For the purpose of administering property rating within the local authority area, the municipality shall categorize property by its use. In this regard, property is categorized as special residential, general residential, agricultural land for farming, agricultural land for trading, agricultural land for eco-tourism, industrial, commercial, business and government. Vacant land shall be categorized on the basis of their zoning.

8.1 GOVERNMENT:

Government properties are further divided into those for local use, district/regional use and national use.

8.2 DIFFERENTIAL RATING:

Different rates shall be applied to different category of property. The choice of rate shall take into consideration socio-economic objectives of the municipality. Rates shall be charged at the following ratios.

Special Residential	0.5
General Residential	0.5
Industrial/Mining	3.0
Agricultural land for Farming	1: 0.25
Agricultural land for Trading	1: 0.25
Business	0.7
Government property	2.0
Public Service Infrastructure	1: 0.25

Commented [GM1]: Are these new tariffs in line with the tariff submitted with the adjustment budget

8.3 MULTIPLE USE PROPERTIES:

Properties used for multiple purposes shall be rated on the basis of their dominant use.

10. PAYMENT OF RATES

- (1) Rate shall be payable on all property at the applicable rates based on the values reflected in the valuation roll except where the municipality grants reduction, rebate or exemption.
- (2) Method of payment
 - (a) Rates will be levied annually in July and are payable in twelve (12) equal installments. Council can recover a rate annually, as may be agreed to with the owner of that property and will be payable on or before 30 September of that current year.
 - (b) An owner is liable for payment of rates whether or not that person has received a written account. The furnishing of accounts for rates in terms of this section is subject to section 102 of the Municipal Systems Act.

11. GRANTING RELIEF FROM THE PAYMENT OF RATES:

- (1) In imposing the rate in the rand for each annual operating budget component, the council shall grant the exemptions, rebates and reductions to the categories of owners indicated below. The council reserves the right to amend these exemptions, rebates and reductions, if the circumstances of a particular budget force them to. Therefore, these reduction, rebate and exemption shall serve as relief from paying rates.
- (2) In determining whether a property forms part of a particular category indicated below, the council shall have regard to the actual zoning to which the relevant property is put. In the case of vacant land not specifically included in any of the categories

indicated below, the permitted use of the property shall determine into which category it falls. A change in zoning may result in a change in the category of the property.

- (3) Such exemptions, reductions and rebates must be indicated in the tariff and rate schedule which is approved by the council annually.
- (4) All application must be received before 30 June each year. Late applications received before and until 30 September will be considered by the CFO or his nominee.

REDUCTION:

- (1) Reduction shall be granted in the event of a natural disaster resulting in total or partial destruction of the property and an occurrence of one or more situations stipulated in MPRA 78 (1). The municipality shall on receipt of application from the affected Ratepayer, grant a reduction on the value of the property.
- (2) The reduction granted shall be a proportion of the value of the property equivalent to the ratio of the damage to the total value of the property. Such a relief shall be granted for the unexpired term of the financial year.
- (3) The property shall immediately be placed on the list for the next additional valuation. The valuation shall be carried out if even the property is repaired.
- (4) In determining the ratio of damage to the total value of the property, the Municipal Manager may on receipt of request delegate the Head of Technical Services to inspect and report if the damage is substantial to recommend reduction to the value of the property.
- (5) If the Municipal Manager is satisfied that the damage warrants the granting of reduction, he shall request the Municipal Valuer to determine and advise on the reduction to be granted to the Ratepayer.
- (6) If the disaster affects more than one property, the Municipal Manager may extend inspection and subsequent granting of reduction to all properties affected which are within his knowledge.
- (7) Notwithstanding the provisions of paragraph 9.1.6 above, it shall remain the responsibility of the owner of the property to apply for a reduction.

REBATES:

- (1) Rebate shall be granted to the indigent and the unemployed. Where a person is declared as an indigent in terms of the indigent policy, the person shall on application to the council, is granted a rebate on a sliding scale.
- (2) Rebate shall be granted to all properties not enjoying all municipal services as indicated below:

Refuse removal 10 %

Street/ Road 10 %

- (3) Where the facility is available but has not been connected by the ratepayer, the facility shall be deemed to be on the property.
- (4) Where as a result of a natural disaster the infrastructure of the area is damaged, council may grant rebate to the property owner equivalent to the rebate granted for the non existence of such a service.
- (5) Public benefit organizations operating from the municipality for the benefit of people in other municipal areas shall be granted rebate on a sliding scale. The size of rebate shall be determined by the extent to which people in the municipal area benefits from their operations vis-à-vis service to other areas.
- (6) Senior citizens shall be granted a rebate 50% of rates (Residential properties only).

Commented [GM2]: How are we accounting for these properties in these categories and do we have a list of properties and their financial impact?

Commented [GM3]: Which facilities are we taking amount? We need to be clear.

Commented [GM4]: Do we have a list of these beneficiaries and have their impact been factored. My assumption is that these beneficiaries falls outside indigency threshold.

EXEMPTION:

The following categories of property are exempted from rates:-

Municipal properties

- (a) Municipal properties are **exempted from paying rates** as it will increase the rates burden or service charges to property owners or consumers.

Low cost residential units

- (b) Low cost residential units (RDP Houses) are exempted from paying rates as approved by the council.
- (c) Indigent property owners shall be granted total exemption from the payment of rates.

Public Benefit Organisations

The following Public Benefit **Organisations may apply for the exemption of property rates** subject to producing a tax exemption certificate issued by the South African Revenue Services (SARS) as contemplated in Part 1 of the Ninth Schedule of the Income Tax Act, 1962 (No 58 of 1962):-

Welfare institutions

Properties used exclusively as an orphanage, non-profit retirement villages, old age homes or charitable institutions, including workshops used by the inmates, laundry or cafeteria facilities, provided that any profits from the use of the property are used entirely for the benefit of the institution and/or to charitable purposes within the municipality.

Animal welfare

Property owned or used by institutions/organisations whose exclusive aim is to protect birds, reptiles and animals on a not-for-gain basis.

- ❖ Owners dependent on pensions or social grants for their livelihood;
- ❖ Owners temporarily without income.
- ❖ Owners of property situated within an area affected by a disaster within the meaning of the Disaster Management Act, 2002 (Act No. 57 of 2002); or any other serious adverse social or economic conditions.
- ❖ Owners of residential properties with a market value lower than an amount determined by the municipality; or
- ❖ Owners of agricultural properties who are bona fide farmers.

Retired and Disabled Persons Rate Rebate

Retired and Disabled Persons qualify for special rebates according to monthly household income.

To qualify for the rebate a property owner must occupy the property as his/her normal residence; be at least 60 years of age or in receipt of a disability/old age pension from the Department of Welfare and Social Development, be in receipt of a total monthly income from all sources (including income of spouses of owner) not exceeding the amount as determined by Council, (indigent policy);

An exemption on the property rates on such properties where the owner resides, if their total income as defined in the Municipality's Property Rates in the case where the owner has more than one property; only one residential property will be exempted the one used as his/ her primary resident

Property owners must apply on a prescribed application form for a rebate as determined by the municipality.

Applications must be accompanied by-

- ❖ a certified copy of the identity document or any other proof of the owners age which is acceptable to the municipality.
- ❖ Sufficient proof of income of the owner and his/her spouse;
- ❖ An affidavit from the owner; if the owner is a disabled person proof of a disability pension payable by the state must be supplied; and

If the owner has retired at an earlier stage for medical reasons proof thereof must be submitted.

These applications must reach the municipality during municipal financial year for which relief is sought.

The municipality retains the right to refuse rebates if the details supplied in the application form were incomplete, incorrect or false.

Child headed families

Families headed by children qualify for special rebates according to monthly household income. To qualify for the rebate the head of the family **must**-

- ❖ Occupy the property as his/her normal residence.
- ❖ not be older than 25 years of age, or in exceptional cases as determined by Council.
- ❖ still be a scholar or unemployed; and
- ❖ be in receipt of a total **monthly income** from all sources not exceeding the amount as determined by Council, **(indigent policy)**;

The family head must apply on a prescribed application form for a rebate as determined by the municipality and must be assisted by the municipality with completion of the application form;

Applications must be accompanied by- a certified copy of the identity document or any other proof of the applicant's age which is acceptable to the municipality, sufficient proof of total household income.

An affidavit from the applicant.

These applications must reach the municipality during municipal financial year for which relief is sought.

The municipality retains the right to refuse rebates if the details supplied in the application form were incomplete, incorrect or false.

Exemptions will be subject to the following conditions: -

- (a) All applications must be addressed in writing to the municipality.
- (b) A SARS tax exemption certificate must be attached to all applications.
- (c) The municipal manager or his/her nominee must approve all applications.
- (d) Applications must reach the municipality during municipal financial year for which relief is sought; and
- (e) The municipality retains the right to refuse exemptions if the details supplied in the application form were incomplete, incorrect or false

12. COMPULSORY PHASING-IN OF CERTAIN RATES

In terms of section 21 of Municipal Property Rates Act

(1) A rate levied on:

- (a) Newly ratable property must be phased in over a period of three financial years, subject to subsection (5).
- (b) Property referred to in section 17(1)(g) must, after exclusion period referred to in that section has lapsed, be phased in over period of three financial years, subject to subsection (5) of this section.
- (c) Newly ratable property owned and used by organizations conducting specified public benefit activities and registered in terms of Income Tax Act for those activities must be phased in over a period of four financial years, subject to subsection (5).

(2) The phasing-in discount on a property referred to in section (1)(a) or (b) must-

- (a) in the first year, be at least 75 per cent of the rate for that year otherwise applicable to the property,
- (b) in the second year, be at least 50 per cent of the rate for that year otherwise applicable to the property, and
- (c) In the third year, be at least 25 per cent of the rate for that year otherwise applicable to the property.

13. PERIOD OF RATE

- (1) Rate shall be imposed on annual basis and it shall be from 1st July to next year 30th June of the each financial year.
- (2) The levying of rates forms part this municipality's annual budget process as set out in Chapter 4 of the MFMA
- (3) Rate shall be an amount of cents in a rand. A rate is levied by municipality by resolution passed by the Municipal Council with a supporting vote of a majority of its members.

14. PUBLICATION OF RESOLUTION

- (1) Whenever council passes resolution with regard to rate tariff, the municipal manager shall without delay conspicuously display copies of the resolution for a period of 30 days at the municipalities head and satellite offices and libraries. Municipality shall publish in a newspaper circulating in the municipal area stating that:
 - (i) A resolution levying rate on property has been passed by the council and;
 - (ii) The resolution is available at the municipality head and satellite offices and libraries for public inspection during official hours.
 - (iii) Municipality shall place a copy of resolution on the official website.

15. SPECIAL RATING AREA:

- (1) The Council may subject to compliance with the provisions of section 22 of the Municipal Property Rates Act in determining an area within the municipal area as a special rating area (SRA) and levy an additional rate in that area to upgrade or improve the area.
- (2) The funds generated by the special rate in a special rating area shall only be utilized in that area and only for the intended upgrading and/or improvement of that area.
- (3) Before declaring any part of the municipality as a special rating area for the purpose of levying additional rates, the municipality shall consult the local community and agree on the boundary delimiting the special rating area and the improvement or service to be provided.
- (4) The municipality shall during consultation, obtain the consent of majority of the members of the local community in the proposed special rating area. The municipality shall keep separate accounting records on funds raised through additional rating.

- (5) The municipality may establish a committee made up of representatives of the affected community to form consultative body to assist the municipality in implementing the improvement programme.

16. RATE RECOVERY

- (1) Rates may be recovered from tenants or agents in terms of section 28 and 29 of the Municipal Property Rates Act. or;
- (2) Municipality may exercise the option of attaching properties of defaulting property owners after due legal processes in terms of the credit control policy.

17. ISSUING OF STATEMENTS

- (1) The municipality shall issue statements regularly on the due dates. The account shall reflect the ratable value, tariff and the amount due.
- (2) Where a property is leased to a tenant, municipality shall, on the receipt of a request from the owner of the property, issue separate accounts for rates and services.

18. REPORTING

- (1) The municipal manager must annually table in the Council:
- a. a list of all exemptions, reductions and rebates granted by the municipality during the previous financial year; and
 - b. A statement reflecting the income, which the municipality has forgone during the previous financial year by way of such exemption, reductions and rebates.
- (2) All exemptions, reductions and rebates projected for a financial year must be reflected in the municipality's annual budget for that year as income on the revenue side and expenditure on the expenditure side

19 REGISTER OF PROPERTIES

- 19.1 The municipality will compile and maintain a register in respect of all properties situated within the jurisdiction of the municipality.

BY-LAWS TO GIVE EFFECT TO THE RATES POLICY

The municipality will adopt By-laws to give effect to the implementation of the Rates Policy and such By-laws may differentiate between different categories of properties and different categories of owners of properties liable for the payment of rates.

REGULAR REVIEW PROCESSES

The rates policy must be reviewed on an annual basis to ensure that it complies with the Municipality's strategic objectives is contained in the Integrated Development Plan and with legislation.

ENFORCEMENT/IMPLEMENTATION

This rates policy will come into effect after approval the Council

ADOPTION OF THE POLICY

Policy adopted by Council of Port St Johns Local Municipality for implementation.

Approved by: Council On _____
Date

Resolution No. _____

Confirmed by the Honourable Speaker _____
Signature

Clr C.S Mazuza

