

DR. PIXLEY KA ISAKA SEME LOCAL MUNICIPALITY



PROPERTY RATES POLICY

2025-2026

INDEX

1. LEGISLATIVE CONTEXT	3
2. DEFINITIONS.....	3
3. POLICY PRINCIPLES	11
4. SCOPE OF THE POLICY.....	12
5. APPLICATION OF THE POLICY	12
6. PRINCIPLES APPLICABLE TO FINANCING OF SERVICES	12
7. CATEGORIES OF PROPERTY FOR DIFFERENTIAL RATING PURPOSES	13
8. CATEGORIES OF OWNERS.....	14
9. PROPERTIES USED FOR MULTIPLE PURPOSES	14
10. EXEMPTIONS	14
11. REDUCTIONS.....	15
12. REBATES	15
13. PAYMENT OF RATES	19
14. ACCOUNTS TO BE FURNISHED.....	20
15. PHASING IN OF RATES	21
16. FREQUENCY OF VALUATION.....	21
17. COMMUNITY PARTICIPATION.....	21
18. REGISTER OF PROPERTIES	21
19. BY-LAWS TO GIVE EFFECT TO THE RATES POLICY	22
20. REGULAR REVIEW PROCESSES	22
21. APPROVAL OF POLICY AND DATE OF EFFECT.....	22

1. LEGISLATIVE CONTEXT

- 1.1 This policy is mandated by Section 3 of the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004), which specifically provides that a municipality must adopt a Rates Policy.
- 1.2 In terms of Section 229 of the Constitution of the Republic of South Africa, 1996 (No.108 of 1996), a municipality may impose rates on property.
- 1.3 In terms of the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) a municipality in accordance with-
 - a. Section 2(1), may levy a rate on property in its area; and
 - b. Section 2(3), must exercise its power to levy a rate on property subject to-
 - i. Section 229 and any other applicable provisions of the Constitution;
 - ii. The provisions of the Property Rates Act and any regulations promulgated in terms thereof; and
 - iii. The rates policy.
- 1.4 In terms of Section 4 (1) (c) of the Local Government: Municipal Systems Act, 2000 (No. 32 of 2000), the municipality has the right to finance the affairs of the municipality by imposing, inter alia, rates on property.
- 1.5 In terms of Section 62(1) (f) (ii) of the Local Government: Municipal Finance Management Act, 2003 (No. 56 of 2003) the municipal manager must ensure that the municipality has and implements a rates policy.
- 1.6 This policy must be read together with, and is subject to the stipulations of the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004) and any regulations promulgated in terms thereof from time to time.

2. DEFINITIONS

“Definitions, words and expressions” as used in the Act are applicable to this policy document wherever it is used;

Municipality”	means the municipality of DR PIXLEY KA ISAKA SEME LOCAL MUNICIPALITY;
Act	Means the Local Government: Municipal Property Rates Act (Act 6 of 2004).
Child Headed Household	Means a household recognized as such in terms of section 137 of the Children’s Amendment Act, 41 of 2007.
Actual Use	Means actual activities that are taking place on the property.

Agent	In relation to the owner of a property, means a person appointed by the owner of the property: (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	Means a property that is used primarily for agricultural purposes but, without derogating from section 9, excludes any portion thereof that is used commercially for the hospitality of guests, and 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.
Category	(a) In relation to property, means a category of properties determined in terms of Section 8 of the Act; and (b) In relation to owners of properties, means a category of owners determined in terms of Section 15(2) of the Act;
Disaster	Means a disaster within the meaning of the Disaster Management Act (57 of 2002); or any other serious adverse social or economic condition.
Effective date	(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 (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.
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 each year to 30 June the following year.
Income Tax Act	Means the Income Tax Act, 1962 (Act No. 58 of 1962)
Indigent household	Means an owner of property who is in permanent occupation of the property and qualifies for indigent relief in terms of the municipality's indigent policy, shall include state

Illegal use	pensioner, child-headed household, disabled people, household without income or with income that falls within a certain threshold and medical boarded people;
Land tenure right	Where any person uses land or buildings or causes it to be used in conflict with the provisions of the town planning scheme in operation. Means a land tenure right as defined in section 1 of the Upgrading of Land Tenure Rights Act 1991 (Act 112 of 1991);
Local community	In relation to a municipality: (a) means that body of persons comprising: <ul style="list-style-type: none"> <li data-bbox="750 709 1243 741">(i) the residents of the municipality; <li data-bbox="750 777 1263 808">(ii) the ratepayers of the municipality; <li data-bbox="750 844 1471 982">(iii) any civic organisations and nongovernmental, private sector or labour organisations or bodies which are involved in local affairs within the municipality; and <li data-bbox="750 1018 1471 1157">(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; and (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. Establish in terms of section 12 of the Municipal Structures Act No. 117 of 1998.
Market Value	In relation to a property, means the value of the property determined in accordance with Section 46 of the Act;
Municipal Finance Management Act	Means the Local Government: Municipal Finance Management Act No. 56 of 2003;
Municipal Manager	Means a person appointed in terms of Section 82 of the Municipal Structures Act;

Newly rateable property

Means any rateable 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.

Occupier

In relation to a property, means a person in actual occupation of a 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 that place of worship;

Official residence

In relation to place of public worship, means;

- (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 public 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 an office bearer;

Organ of State

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

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 in a register;
- (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 block company, the share block company as defined in the Share Block 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), means the holder of the mining right or the mining permit; and

(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 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 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 servitudes; or

(vii) 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;

(viii) A lessee in the case of property that is registered in the name of the municipality and is leased by it.

(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;

Permitted use

In relation to a property, means the limited purposes 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;

Person

Means natural and legal person including an organ of state.

Place of public worship

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: Provided that the property is;

- (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;

Property

Means:

- 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;
- b) a right registered against immovable property in the

name of a person, excluding a mortgage bond registered against the property;

- c) a land tenure right registered in the name of a person or granted to a person in terms of legislation; or
- d) public service infrastructure;

Property Register

Means a register of properties referred to in Section 23 of the Act.

Public Service Infrastructure

Means publicly controlled infrastructure of the following kinds:

- 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 or 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 the 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) and (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 and clinics
- (b) Schools, pre-schools, early childhood development centers 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;

Rateable property

Means a 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 of the Act.

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 that property at the lower amount.

Register

- b) means to record in a register in terms of –
 - (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
- c) Includes any other formal act in terms of any other legislation to record :

- (i) a right to use land for or in connection with mining purposes; or
- (ii) a land tenure right;

means a property included in the valuation roll in terms of section 48(2)(b) in respect of which the primary use or permitted use is for residential purposes without derogating from section 9;

Residential property

Value of property

Means the market value of the property as determined in terms of the Act;

Vacant Land

Means land, irrespective of zoning or category and in respect of which the municipality has not issued an occupancy certificate, being unimproved urban land.

3. POLICY PRINCIPLES

3.1 Rates are levied in accordance with the Act as an amount in the rand based on the market value of all rateable property contained in the municipality's valuation roll and supplementary valuation roll.

3.2 As allowed for in the Act, the municipality has chosen to differentiate between various categories of property and categories of owners of property as contemplated in clause 7 and 8 of this policy. Some categories of property and categories of owners are granted relief from rates as contemplated in clause 11 to 13 of this policy. The municipality however does not grant relief in respect of payments for rates to any category of owners or properties, or to owners of properties on an individual basis.

3.3 The rates policy for the municipality is based on the following principles:

- (a) Equity
The municipality will treat all ratepayers with similar properties the same.
- (b) Affordability
The ability of a person to pay rates will be taken into account by the municipality. In dealing with the poor/indigent ratepayers the municipality will provide relief measures through exemptions, reductions or rebates.
- (c) Sustainability

Rating of property will be implemented in a way that:

- i. it supports sustainable local government by providing a stable revenue source within the discretionary control of the municipality; and
- ii. Supports local social economic development

(d) Cost efficiency

Rates will be based on the value of all rateable property and will be used to fund community and subsidised services after taking into account surpluses generated on trading (water, electricity) and economic (refuse removal, sewerage removal) services and the amounts required to finance exemptions, rebates, reductions and phasing-in of rates as approved by the municipality from time to time.

4. SCOPE OF THE POLICY

- 4.1 This policy document guides the annual setting (or revision) of property rates. It does not make specific property rates proposals. Details pertaining to the applications of the various property rates are published in the Provincial Gazette and **the municipality's schedule of tariffs, which must be read in conjunction with this policy.**

5. APPLICATION OF THE POLICY

- 5.1 In imposing the rate in the rand for each annual operating budget component, the municipality shall grant exemptions, rebates and reductions to the categories of properties and categories of owners as allowed for in this policy document.

6. PRINCIPLES APPLICABLE TO FINANCING OF SERVICES

- 6.1 The municipal manager or his/her nominee must, subject to the guidelines provided by the National Treasury and Executive Mayor of the municipality, make provision for the following classification of services:-

(a) Trading services

- i. Water
- ii. Electricity

(b) Economic services

- i. Refuse removal.
- ii. Sewerage disposal.

(c) Community and subsidised services

These include all those services ordinarily being rendered by the municipality excluding those mentioned in 6.1 (a) and (b).

- 6.2 Trading and economic services as referred to in clauses (a) and (b) must be ring fenced and financed from service charges while community and subsidised services referred to in clause (c) will be financed from surpluses on trading and economic services, regulatory fees, rates and rates related income.

7. CATEGORIES OF PROPERTY FOR DIFFERENTIAL RATING PURPOSES

- 7.1 Differential rating among the various property categories will be done by way of setting different cent amount in the rand for each property category; and by way of reductions and rebates as provided for in this policy document.
- 7.2 In determining the category of a property the municipality shall take into consideration the following criteria or a combination thereof:-

The formal zoning of the property;
Township establishment approvals;
The use of the property;
Permitted use of the property; and
The geographical area in which the property is situated

- 7.3 Different rates may be levied in respect of the following categories of rateable properties and such rates will be determined on an annual basis during the compilation of the annual budget:-

7.3.1	RES	Residential properties;
7.3.2	IND	Industrial properties;
7.3.3	BUS	Business/commercial properties;
7.3.4	MUP	Properties used for multiple purposes
7.3.4.1	AGRI	Agricultural property;
7.3.4.4	MIN	Mining properties;
7.3.5	PSP	properties owned by organ of state and used for public service purposes;
7.3.6	MUN	Municipal properties;
7.3.7	PSI	Public service infrastructure properties;
7.3.8	WOR	Place of public worship

- 7.4 In order to create certainty and to ensure consistency the criteria mentioned in 7.2 shall be applied as indicated below in order of priority and no deviation is permissible:

7.4.1 Properties shall first of all be categorised in accordance with their actual use.

7.4.2 Town planning schemes, Township establishment schemes and Town planning regulations where applicable may be used to determine the formal use if for whatever reason the status of usage of a property cannot be determined in terms of 7.3.1 above. All relevant information including circumstantial evidence may be taken into consideration in attempt to determine for what purpose the property is being used. A physical inspection may be done to acquire the necessary information.

- 7.5 Properties used for multiple purposes shall be categorised and rated as provided for in section 9 of the Act and as more fully described in clause 9.

8. CATEGORIES OF OWNERS

8.1 For the purpose of granting exemptions, reductions and rebates in terms of clause 11, 12 and 13 respectively the following categories of owners of properties are determined:-

- (a) Those owners who qualify and who are registered as indigents in terms of the adopted indigent policy of the municipality;
- (b) Those owners who do not qualify as indigents in terms of the adopted indigent policy of the municipality but whose total monthly income is less than the amount annually determined by the municipality in its budget;
- (c) Owners of property situated within an area affected by-
 - i. a disaster within the meaning of the Disaster Management Act, 2002 (Act No. 57 of 2002); or
 - ii. serious adverse social or economic conditions.
- (d) Owners of residential properties with a market value below the amount as determined annually by the municipality in its budget; and
- (e) Owners of agricultural properties as referred to in clause 13.1 (e).

9. PROPERTIES USED FOR MULTIPLE PURPOSES

9.1 Rates on properties used for multiple purposes will be levied as follows:-

In accordance with the "different uses" by apportioning the market value of a category of property to the different purposes for which the property is used if both (a) and (b) above cannot be applied.

10. EXEMPTIONS

10.1 The following categories of property are exempted from rates: -

- (a) Municipal properties
Municipal properties 100% exempted from paying rates as it will increase the rates burden or service charges to property owners or consumers.
- (b) Residential properties
 - The first R15000 of all residential properties with a market value of the property is exempted from levying of rates in terms of section 17(1) (h) of the municipal Property Rates Act and-
 - The additional exemption on the market value to be exempted from levying of rates shall be determined by the municipal council on annual basis during the budget process .This is an important part of the council's indigent policy and is aimed primarily at alleviating poverty.
- (c) Cemeteries and crematoriums
Private cemeteries and those on private farms are cemeteries registered in the names of private persons and operated not for gain.

- (d) Public Service Infrastructure
The 1st 30% of the market value is exempted from paying rates in terms of 17(1) (a)
- (e) Other properties stated in terms of section 17(b), (c), (d), (e), (f), and (g) of the act shall be 100% exempted from levying rates

11. REDUCTIONS

11.1 Reductions as contemplated in section 15 of the Act will be considered on an ad-hoc basis in the event of the following:-

12.1.1 Partial or total destruction of a property.

12.1.2 Disasters as defined in the Disaster Management Act, 2002 (Act 57 of 2002).

11.2 The following conditions shall be applicable in respect of 12.1:-

11.2.1 The owner referred to in 12.1.1 shall apply in writing for a reduction and the onus will rest on such applicant to prove to the satisfaction of the municipality that his property has been totally or partially destroyed. He/ she will also have to indicate to what extent the property can still be used and the impact on the value of the property.

11.2.2 Property owners will only qualify for a rebate if affected by a disaster as referred to in the Disaster Management Act, 2002 (Act No. 57 of 2002).

11.2.3 A reduction based on the discretion of the Executive Mayor and the Municipal Manager to a maximum of 50% will be allowed in respect of both 12.1.1 and 12.1.2 as mandated by Council.

11.2.4 An ad-hoc reduction will not be given for a period in excess of 6 months, unless the municipality gives further extension on application.

11.2.5 If rates were paid in advance prior to granting of a reduction the municipality will give credit to such an owner as from the date of reduction until the date of lapse of the reduction or the end of the period for which payment was made whichever occurs first.

12. REBATES

12.1. Categories of property

(a) **Business, commercial and industrial properties**

- i. The municipality may grant rebates to rateable enterprises that promote local, social and economic development in its area of jurisdiction, based on its Local, Social and Economic Development Policy. The following

criteria will apply:-

- a. job creation in the municipal area;
 - b. social upliftment of the local community; and
 - c. creation of infrastructure for the benefit of the community.
- ii. A maximum rebate as annually determined by the municipality during the budget process will be granted on application subject to submission of:-
- Auditted annual financial statements
 - a proof of business licence
 - a business plan issued by the directors of the company indicating how the local, social and economic development objectives of the municipality are going to be met;
 - a continuation plan issued by the directors and certified by auditors of the company stating that the objectives have been met in the first year after establishment and how the company plan to continue to meet the objectives;
- iii. an assessment by the municipal manager or his/her nominee indicating that the company qualifies; and
- Iv a municipal resolution.
- v. In determining the annual rebate the municipality shall take into consideration all relevant and applicable circumstances.

(b) Properties owned by organ of state and used for public service purposes

As annually determined by the municipality during the budget process

(c) Residential properties

The municipality grants a rebate as annually determined which applies to improved residential property that is:-

- i. used predominantly for residential purposes;
- ii. registered in terms of the Sectional Title Act;
- iii. owned by a share-block company; or
- iv. a rateable residence on property used for or related to educational purposes.

(e) Agricultural property

- i. Agricultural/farm properties will be granted a standard rebate to be annually determined by the municipality during budget process on application
 - a. A proof of registration as a bona fide farmer from SARS as a farmer and that proof to this extent in the form of the last tax assessment are submitted. If no such tax assessment can be submitted, proof is required that income from farming activities exceeds 40% of the

household income.

- ii. The application should clearly motivate how the farm contributes in terms of:
 - a. local economy
 - b. provision of permanent employment of 5 or more legally employed farm workers for an average continuous period of twelve months in accordance with applicable minimum service conditions set by the Department of Labour;
 - c. provision of permanent accommodation to farm workers and their dependents or families;
 - d. if such residential properties are provided with potable water;
 - e. if the farmer for the farm workers electrifies such residential properties.
 - f. provision of land for burial, educational and recreational purposes to own farm workers as well as people from surrounding farms.
- iii. The granting of additional rebates is subject to the following:
 - a. the submission of an affidavit by 30 September each year including a certificate from the owner's auditors indicating how service delivery and development obligations of the municipality and contribution to the social and economic welfare of farm workers were met;
 - b. an assessment by the municipal manager or his/her nominee indicating that the application qualifies; and
 - c. a Council resolution.

12.2 Categories of owners

(a) Retired and Disabled Persons

- i. Retired and Disabled Persons qualify for special rebates according to monthly household income. To qualify for the rebate a property owner must:-
 - a. occupy the property as his/her normal residence;
 - b. be at least 60 years of age or in receipt of a disability pension from the Department of Welfare and Population Development;
 - c. 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);
 - d. not own more than one property; and
 - e. provided that where the owner is unable to occupy the property due to no fault of his/her own, the spouse or minor children may satisfy the occupancy requirement.

- ii. Property owners must apply on a prescribed application form for a rebate as determined by the municipality during the budget process.
- iii. Applications must be accompanied by-
 - a. a certified copy of the identity document or any other proof of the owners age which is acceptable to the municipality;
 - b. sufficient proof of income of the owner and his/her spouse;
 - c. an affidavit from the owner;
 - d. if the owner is a disabled person proof of a disability pension payable by the state must be supplied; and
 - e. if the owner has retired at an earlier stage for medical reasons proof thereof must be submitted.
- iv. These applications must reach the municipality before the end of February preceding the start of the new municipal financial year for which relief is sought.
- v. The municipality retains the right to refuse rebates if the details supplied in the application form were incomplete, incorrect or false.

(b) Childheaded families

- i. Families headed by children qualify for special rebates according to monthly household income. To qualify for the rebate the head of the family must:-
 - a. occupy the property as his/her normal residence;
 - b. not be older than 25 years of age, or in exceptional cases as determined by Council;
 - c. still be a scholar or unemployed; and
 - d. be in receipt of a total monthly income from all sources not exceeding the amount as determined by Council, (indigent policy);
- ii. 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;
- iii. Applications must be accompanied by-
 - a. a certified copy of the identity document or any other proof of the applicant's age which is acceptable to the municipality;
 - b. sufficient proof of total household income;

- c. an affidavit from the applicant;
- iv. These applications must reach the municipality before the end of February preceding the start of the new municipal financial year for which relief is sought.
- v. The municipality retains the right to refuse rebates if the details supplied in the application form were incomplete, incorrect or false.

12.3 The extent of the rebate in terms of 13.1 and, 13.2 shall annually be determined by the municipality and it shall be included in the annual budget.

13. PAYMENT OF RATES

13.1 Ratepayers may choose between paying rates annually in one installment on or before 30 September or in twelve equal installments on or before the 15th day of the month following on the month in which it becomes payable.

13.2 If the owner of property that is subject to rates, notify the municipal manager or his/her nominee in writing not later than 31 May in any financial year, or such later date in such financial year as may be determined by the municipal manager or his/her nominee that he/she wishes to pay all rates in respect of such property in installments, such owner shall be entitled to pay all rates in the subsequent financial year and each subsequent financial year in twelve installments until such notice is withdrawn by him/her in a similar manner.

13.3 Interest on arrears rates, whether payable on or before 30 September or in equal monthly installments, shall be calculated in accordance with the provisions of the credit control, debt collection and indigent policy of the municipality.

13.4 If a property owner who is responsible for the payment of property rates in terms of this policy fails to pay such rates in the prescribed manner, it will be recovered from him/her in accordance with the provisions of the Credit Control, Debt Collection and indigent policy of the Municipality.

13.5 Arrears rates shall be recovered from tenants, occupiers and agents of the owner, in terms of section 28 and 29 of the Act as follows:-

13.5.1 If an amount, due for rates levied on a property, is not paid by the owner by the due date as shown on the account and no reaction is forthcoming from the owner after two written reminders have been issued, the municipality shall recover the arrear amount in full or partially as follows: (arrears might include collection costs)

13.5.2 from the agent who is lawfully responsible to collect commission or rental in respect of the property concerned;

13.5.3 From a tenant or occupier of the property, only after an attempt was made

to collect it from an agent refer to in 14.5.2 but such attempt was unsuccessful or no such agent exists or only a part of the outstanding amount could successfully be recovered.

13.5.4 The amount recoverable is limited to the amount as stipulated in the Act and it may only be recovered after written notice has been served on the party concerned (tenant, occupier or agent) of the rates due and payable, but not yet paid by owner of the property.

13.5.5 The notice referred to in 13.5.4 shall give the party concerned at least 14 calendar days to pay the outstanding rates.

13.6 Where the rates levied on a particular property have been incorrectly determined, whether because of an error or omission on the part of the municipality or false information provided by the property owner concerned or a contravention of the permitted use to which the property concerned may be put, the rates payable shall be appropriately adjusted for the period extending from the date on which the error or omission is detected back to the date on which rates were first levied in terms of the current valuation roll.

13.7 In addition, where the error occurred because of false information provided by the property owner or as a result of a contravention of the permitted use of the property concerned, interest on the unpaid portion of the adjusted rates payable shall be levied at the maximum rate permitted by prevailing legislation.

14. ACCOUNTS TO BE FURNISHED

14.1 The municipality will furnish each person liable for the payment of rates with a written account, which will specify:

- (i) The amount due for rates payable,
- (ii) The date on or before which the amount is payable,
- (iii) how the amount was calculated,
- (iv) The market value of the property, and
- (v) Rebates, exemptions, reductions or phasing-in, if applicable.

14.2 A person liable for payment of rates remains liable for such payment, whether or not such person has received a written account from the municipality. If the person concerned has not received a written account, he/she must make the necessary enquiries with the municipality.

14.3 In the case of joint ownership the municipality shall consistently, in order to minimise costs and unnecessary administration, recover rates from one of the joint owners only provided that it takes place with the consent of the owners concerned. It will be the responsibility of the joint owners to inform Council in writing of any changes in ownership and who the owner/partner is that is responsible for the payment of the accounts.

15. PHASING IN OF RATES

- 15.1 100% rates shall be levied on newly rateable properties

16. FREQUENCY OF VALUATION

- 16.1 The municipality shall prepare a new valuation roll every 4 (four) years, with the option to extend the validity of the valuation roll to 5 (five) years with the approval of the MEC for COGTA in the province.
- 16.2 Supplementary valuations will be done on a continual basis to ensure that the valuation roll is properly maintained.

17. COMMUNITY PARTICIPATION

- 17.1 Before the municipality adopts the rates policy, the municipal manager will follow the process of community participation envisaged in chapter 4 of the Municipal Systems Act and comply with the following requirements:
 - 17.1.1 Conspicuously display the draft rates policy for a period of at least 30 days (municipality to include period decided on) at the municipality's head and satellite offices and libraries (and on the website).
 - 17.1.2 Advertise in the media a notice stating that the draft rates policy has been prepared for submission to council and that such policy is available at the various municipal offices and on the website for public inspection. (Property owners and interested persons may obtain a copy of the draft policy from the municipal offices during office hours at a fee as determined by Council). Property owners and interested persons are invited to submit written comments or representations to the municipality within the specified period in the notice.
 - 17.1.3 Council will consider all comments and/or representations received when considering the finalisation of the rates policy.

18. REGISTER OF PROPERTIES

- 18.1 The municipality will compile and maintain a register in respect of all properties situated within the jurisdiction of the municipality. The register will be divided into Part A and Part B.
- 18.2 Part A of the register will consist of the current valuation roll of the municipality and will include all supplementary valuations done from time to time.
- 18.3 Part B of the register will specify which properties on the valuation roll or any supplementary valuation roll are subject to:-

- i. Exemption from rates in terms of section 15 of the Property Rates Act,
- ii. Rebate or reduction in terms of section 15 of the Property Rates Act,
- iii. Phasing-in of rates in terms of section 21 of the Property Rates Act, and
- iv. Exclusions as referred to in section 17 of the Property Rates Act.

18.4 The register will be open for inspection by the public at the municipal main offices during office hours or on the website of the municipality.

18.5 The municipality will update Part A of the register every 12 months during the supplementary valuation process.

18.6 Part B of the register will be updated on a continuous basis.

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

19.1 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.

20. REGULAR REVIEW PROCESSES

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

21. APPROVAL OF POLICY AND DATE OF EFFECT

The Property Rates Policy of Dr Pixley Ka Isaka Seme Local Municipality shall come into effect on **1 July 2025**.

M A NGCOBO
MUNICIPAL MANAGER

DATE