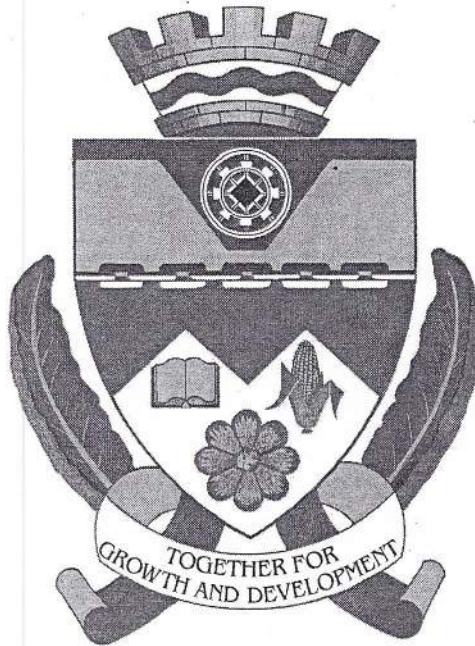


VICTOR KHANYE LOCAL MUNICIPALITY

2015/2016 BUDGET RELATED POLICY

PROPERTY RATES POLICY



# **VICTOR KHANYE LOCAL MUNICIPALITY**

**RATES POLICY  
1 JULY 2014 - 30 JUNE 2016**



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### 1. INTRODUCTION

The Local Government Municipal Property Rates Act 2004 Act 6 of 2004 (Herein after referred to as the MPRA) requires municipalities to develop, adopt and implement a rates policy in consistent with the provisions of Section 3(1) of the of the MPRA as well as Section 62(1) (f) (ii) of the Municipal Finance Management Act, 2003, Act No. 56 of 2003 (Herein after referred to as the MFMA).

The municipality needs a reliable source of revenue to provide basic services and perform its functions. Property rates are the most important source of general revenue for the municipality. Revenue from property rates is used to fund services that benefit the community as a whole as opposed to individual households. These include installing and maintaining streets, roads, sidewalks, lighting, and storm drainage facilities and building and operating clinics, parks, recreational facilities and cemeteries. Property rates revenue is also used to fund municipal administration, such as computer equipment and stationery, and costs of governance, such as council and community meetings, which facilitate community participation on issues of Integrated Development Plans (IDP) and municipal budgets.

Municipal property rates are set, collected, and used locally. Revenue from property rates is spent within a municipality, where the citizens and voters have a voice in decisions on how the revenue is spent as part of the Integrated Development Plans (IDP) and budget processes, which a municipality invites communities to input prior municipal council adoption of the budget.

The rates policy is the outcome of a community participation process followed in terms of the provisions of Section 4 of the of the MPRA and final adoption by the Council and sets out the policy of the Victor Khanye Local Municipality for levying rates on rateable property. In applying its rates policy, the Council shall adhere to all requirements of

amongst other the MPRA and MFMA including any regulations promulgated in terms of these acts'

The municipality will as part of each annual operating budget impose a rate in the rand on the market value of all rateable properties as recorded in the municipality's valuation roll(s). Rateable property shall include any rights registered against such property, with the exception a mortgage bond. Generally, all land within a Council area is rateable unless it is specially exempted as set out in section 15 of the MPRA. Such exemption includes cemeteries, amateur sport grounds and properties owned by welfare organisation.

A municipality must adopt a rating policy which sets out the broad policy framework, within which the Council rates its area (Section 3), and must annually review and if necessary amend its rates policy (Section 5)

## 2. LEGISLATIVE FRAMEWORK

2.1 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.

2.2 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.

2.3 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.

2.4 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.

2.5 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.

2.6 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.



### 3. DEFINITIONS

In this policy, unless the context otherwise indicates, a word or expression to which a meaning has been assigned is subject to that contained in the Act.

<b>Act</b>	Means the Local Government: Municipal Property Rates Act,
<b>Agricultural</b>	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.
<b>Business</b>	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 the 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 organisms.
<b>Commercial</b>	Means land used or a building designed or used for such purpose as distribution centres, wholesale trade, storage, computer centres, warehouses, cartage and transport services and laboratories and may also include offices such as are usually ancillary to or reasonable necessary in connection with the main use.
<b>Consent Use</b>	The written consent of the Local Authority in terms of Column 4 of Table B of the Delmas Town Planning Scheme to be read in conjunction with Clause 22 at the consideration of which the Local Authority takes cognisance of the need and desirability of the use
<b>Indigent</b>	Means any household that is legally resident in the Country and reside in Victor Khanye Local Municipality's jurisdictional area, who due to a number of economic and social factors is unable to pay Municipal basic services and registered as indigent in terms of the Indigent
<b>Industrial</b>	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.
<b>Mining</b>	Any operation or activity for the purpose of extracting any mineral on, in or under the earth, water or any residue deposit, whether by underground or open working or otherwise and includes any operation or activity incidental thereto.
<b>Multiple Use Properties</b>	Properties that cannot be assigned to a single category due to Different uses.
<b>Newly Rateable Property</b>	Any rate able property on which property rates were not levied by 30June 2005, excluding a property that was incorrectly omitted from a valuation roll and for that reason was not rated before that date.

<b>Non-urban land</b>	Means any land that is not defined as urban land but that is used for residential and or agricultural purpose or is not in use. Where the whole or a portion of non-urban land is used for business, industrial or mining purpose the market of such land or portion of it must be recorded separately in the valuation roll and rated according to the applicable category
<b>Owner</b>	<p>'owner'-</p> <ul style="list-style-type: none"> <li>(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;</li> <li>(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;</li> <li>(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</li> <li>(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: <ul style="list-style-type: none"> <li>(i) A trustee, in the case of a property in a trust excluding state trust land;</li> <li>(ii) an executor or administrator, in the case of a property in a deceased estate;</li> <li>(iii) a trustee or liquidator, in the case of a property in an insolvent estate or in liquidation;</li> <li>(iv) a judicial manager, in the case of a property in the estate of a person under judicial management;</li> <li>(v) a curator, in the case of a property in the estate of a person under curatorship;</li> <li>(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;</li> <li>(vii) a lessee, in the case of a property that is registered in the name of a municipality and is leased by it; or</li> </ul> </li> </ul>



<b>Property</b>	Means; '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
<b>Public Benefits Organization</b>	An organization conducting specified public benefit activities as defined in the Act and exempted in terms of the Income Tax Act because of those activities.
<b>Public service</b>	Publicly controlled infrastructure as defined in the act
<b>Protected Area</b>	An area that is or has to be listed in the register referred to in section 10 of the National Environmental Management: Protected Areas Act, 2003.
<b>Residential</b>	A suit 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 undertaking, hostel and place of instruction.
<b>Special Use</b>	Means land used or a building designed or used for any use other than one of the uses specifically defined and mentioned in the Delmas Town Planning Scheme
<b>State Owned Properties</b>	Properties owned by the State, Which are not included in the definition of public service infrastructure in the Act.
<b>Urban land</b>	Means land that is situated within a proclaimed township or where the township register has been opened in terms of the
<b>Municipality</b>	Means the Victor Khanye Local Municipality
<b>Market Value</b>	'Market value', in relation to a property, means the value of the property determined in accordance with section 46; the market value of a property is the amount the property would have realised if sold on the date of valuation in the open market by a willing seller to a willing buyer.
<b>Municipal property</b>	Means any rateable or non-rateable property owned by Victor Khanye Local Municipality
<b>Private Open Space</b>	Private open spaces within a residential complex which comprises: 1. Recreational where membership is not required,
<b>Public Open Space</b>	Means an open space to which the general public has access and includes, inter alia, a park, garden, play park, recreational park or square
<b>Vacant Land</b>	A land where no immovable improvements have been erected.
<b>Zoning</b>	Means the purpose for which land may lawfully be used or on which buildings may be erected or used, or both, as contained in any applicable Town Planning Scheme and "zoned" has corresponding meaning.

#### 4. STRATEGIC FOCUS

In determining the rate on property, exemptions, rebates and reductions the Council has considered the following:

- 4.1 The impact of rates on the community;
- 4.2 The impact of rate on businesses;
- 4.3 The current economic climate;
- 4.4 The integrated development plan (IDP) of the municipality;
- 4.5 The Local Economic Development Objectives of the municipality; and
- 4.6 Mitigate major shocks to ratepayers when moving from a site rating system to rating on the total value (land and buildings) of a property.

#### 5. ANNUAL ADOPTION OF THE POLICY

- 5.1 The rates policy will be reviewed annually, in compliance with section 5(1) of the MPRA and according to the time schedule tabled by the mayor in terms of section 21(1)(b) of the MFMA. Community participation will take place in accordance with chapter 4 of the Local Government. Municipal Systems Act, 2000 (32 of 2000)
- 5.2 Council is to consult with formal established forums representing a said category of rate payers subject thereto that said formal established forums notify the Council not later than 30 November annually of the contact person and his/her details for purpose of consultation.
- 5.3 The said formal established forums representing a said category of rate payers must also be invited annually to the Council Meeting to be held for the purpose of approval of the Property Rates Policy provided that the information required in 4.2 is duly provided such established forms.
- 5.4 The policy will be approved with the annual budget in compliance with Section 24 of the MFMA.

#### 6. KEY PRINCIPLES

##### 6.1 EQUITY

The fundamental principle is that taxpayers in similar circumstances will pay similar levels of tax and taxpayers with greater ability to pay greater amounts of tax, however, in local government the value of a ratepayer's property is the proxy or surrogate for the ability to pay. The circumstances of an individual ratepayer are only taken into account in respect to any exemptions, rebates or reduction that may be granted. Rates are levied on an ad valorem (by value) basis that is pro rata to the value of the Property.



**Example:** The Market Value of a house is R150 000, the cent in the Rand amount is R0.005 for Residential properties. Rates payable: R150 000-20 000 (Impermissible rates) R130 000 x R0.005= R650 for the whole year, divided by 12 months= R54.17 per month payable to the municipality.

In the local government context the application of the equity principle would suggest that the tax (the rate in the rand) would be the same for all ratepayers in a municipal area, unless some compelling application of other taxation principles changes the incidence of the tax. The main reasons why one ratepayer may pay different rate than another ratepayer are:

6.1.1 Different rate levied on different categories;

6.1.2 Exemptions;

6.1.3 Rebates; and

6.1.4 Reductions.

Although these mechanisms were created by the MPRA the use thereof should be justified. The main reason is to retain the historical level of contribution of the various categories of properties to the income from assessment rates and thereof minimize the impact on ratepayers.

## 6.2 AFFORDABILITY

In considering affordability, the total municipal account and not only the rates account will be considered. The council will endeavour to limit the annual increase in the revenue from property rates to the increase in the consumer price index, except when the approved integrated development plan of the municipality provides for a greater increase.

## 6.3 POVERTY ALLEVIATION

The effect of rates on the poor has been taken into account in terms of the indigent policy. All residential properties with a value below R20,000.00 will be exempted from the payment of assessment rates

## 6.4 LIMITATION OF RATES INCREASES

The transformation from a site rating system to a system where the total value (land & buildings), will be rated will cause major shifts in the rates burden on the owners of certain Properties. Guidelines from central government are the implementation of this act should not lead to an increase in the income from assessment rates, and it should also not result in major shocks to ratepayers. To give effect to these guidelines it is necessary to set limitations to the increase of rates for the financial years for which the first valuation roll compiled in terms of the MPRA is implemented.

## 7. AMOUNT DUE FOR RATES

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

## **8. LIABILITYTY FOR RATES**

A rate levied by the municipality on a property must be paid by the owner of the property. Rates will be levied month –

8.1 If an amount due for rates levied is unpaid by the owner of the property, the Municipality may recover the amount from a tenant or occupier of the property;

8.2 The amount for rates may be recovered from the agent of the owner;

8.3 Where the rates levied on a particular property have been as a result of a Supplementary valuation in terms of Section 78(1) THE MPRA these rates will be payable from dates as contemplated in section 78(4)(a),(b),(c) and(d) of the MPRA;

8.4 Recovery of rates due will be in accordance with municipality's Debt Collection Policy (credit and debt control)

## **9. VALUATION OF RATEABLE PROPERTIES**

9.1 A general valuation of all rateable properties will be undertaken and a valuation will be compiled every 4 Years unless the municipality has in accordance with the Act decided to extend the validity of the valuation roll to 5 (five) years by applying for approval by the MEC for Local Government and Housing in the province.

9.2 Supplementary valuations will be undertaken on an ongoing basis.

9.3 Supplementary Valuation rolls will be compiled once a year'

9.4 Amendments to the valuation roll to reflect changes to the owner, address, category, extent, description or other prescribed particulars (section 79), will be done annually and only electronic copy of the valuation roll will be updated.

## **10. LEVYING OF RATES**

10.1 RATES WILL NOT BE LEVIED ON:

Public Service Infrastructure.

10.2 CATEGORIES



The category will be determined by the actual use of the property and if the property is not in use, the zoning thereof will determine same. The Municipal Valuer will be responsible for the categorizing of properties and the maintenance thereof as any change in the use of a property may result in a change to the category.

In determining the category of a property the municipality shall take into consideration the following criteria or a combination thereof:-

- i. The formal zoning of the property;
- ii. The current use of the property;
- iii. Township establishment approvals ;
- iv. Permitted use of the property; and
- v. The geographical area in which the property is situated.

The Municipal Valuer of Victor Khanye Local Municipality will be responsible for the categorising of rateable properties and the maintenance thereof, and any change in the actual use of the property, may result in a change of categories.

Properties shall first of all be categorised in accordance with their formal zoning. Town planning schemes, town establishment schemes and town planning regulations may be used to determine the formal zoning.

If, for whatever reason, the status or zoning of a property cannot be determined in terms of the actual use shall then be determined in order to appropriately categorise such property.

All relevant information, including circumstantial evidence, may be taken into consideration in an attempt to determine for what purpose the property is being used. A physical inspection may be done to acquire the necessary information.

The categories that are determined in terms of section 8(1) of the MPRA are:

#### 10.2.1 RESIDENTIAL IMPROVED: res

i	res1	Single residential per 1000m <sup>2</sup>
ii	res2	Medium to High density residential 10 to 35 per 1000m <sup>2</sup>

#### 10.2.2 RESIDENTIAL VACANT: resv

i	res1	Single residential per 1000m <sup>2</sup>
ii	res2	Medium to High density residential 10 to 35 per 1000m <sup>2</sup>

#### 10.2.3 GOVERNMENT: G

i	qh	Business
ii	ge	Educational
iii	qh	Hospital and or Clinic
iv	gp	Police Station
v	gr	Residential
vi	go	Other

#### 10.2.4 OTHER

i	ah	Agricultural Holding
ii	b	Business
iii	bnu	Business related uses on non urban land
iv	ind	industrial
v	u/i	illegal use
vi	is	Independent School
vii	mun	Municipal
viii	min	Mining and related uses
ix	mp	Multi purpose
x	nr	Nature Reserve, National Park or Garden
xi	nu	Non Urban land (Farms)
xii	pbo	Public benefit Organizations
xiii	psi	Public Service Infrastructure
xiv	pos	Public Open Space
xv	pw	Place of Public Worship or residence
xvi	pros	Private Open Space
xvii	re	Remaining Extent of Proclaimed Township
xviii	sr	Sports and Recreation

### 11. CRITERIA FOR RATING MULTIPLE USE PROPERTY

The following criteria are to be used:

- 11.1 By apportioning the market value of a property to the different purposes for which the Property is used, for
- 11.2 Applying the relevant cent amount in the Rand to the corresponding apportioned market value'

### 12. CRITERIA FOR DIFFERENTIAL RATING ON DIFFERENT CATEGORIES OF PROPERTIES

The following has been taken into consideration for the purpose of differential rating:

- 12 .1 the nature of the property including its sensitivity to rating e.g. agricultural properties used for agricultural purposes



- 12.2 vacant land will be rated higher (in terms of a Cent amount in a Rand) as the municipality is encouraging owners of vacant land to develop it and that the vacant land should not be used for speculation purpose by owners'
- 12.3 promotion of social and economic development of a municipality'
- 12.4 Differential rating among the various property categories will be done by way of setting different amount in the Rand for each property category rather than by way of reductions and rebates. This is much simpler for citizens to understand and thus promotes the principle of transparency.

### **13. RELIEF MEASURE RELATED TO CATEGORIES OF PROPERTIES AND OWNERS OF PROPERTIES**

#### **13.1 CRITERIA FOR EXEMPTIONS, REBATES AND REDUCTION**

The following will be taken into consideration for the purpose of granting exemptions, rebates and reductions:

- i. Indigent status of the owner of a property.
- ii. Sources of income of the owner of a property.
- iii. Market value of residential property below a determined threshold.
- iv. Social or economic conditions of the area where the owners of property is located e.g. an area declared by the national or provincial government to be a disaster-area within the meaning of Disaster Management Act, 2002, to the extent that the significantly negatively affected.

#### **13.2 GRANTING OF EXEMPTIONS, REBATES AND REDUCTIONS**

- i. The exemptions, rebates and reductions will be considered after an application form which is to be provided by Council is accompanied by the following relevant documents are submitted:
- ii All applications must be addressed in writing;
- iii. A SARS tax exemption certificate;
- iv. Pension or social grant proofs including affidavit has been lodged with the municipality on an annual basis
- v. These 'applications must reach the municipality before the end of October preceding the start of the new municipal financial year for which relief is sought.
- vi. The municipality retains the right to refuse exemptions if the details and or accompanying documents are incomplete, incorrect and or false.

### 13.3 EFFECT OF RATES TO THE POOR AND MUNICIPALITIES' MEASURES TO ALLEVIATE RATES BURDEN

In order to alleviate rates burden on the poor, the following exemptions and rebates are proposed:

#### EXEMPTIONS:

- i. Indigent owners as defined in the Municipalities Indigent. Policy
- ii. Owners dependent on pensions or social grant for their livelihood.
- iii. Owners of residential property whose market value is below R20 000,00

### 13.4 EFFECT OF RATES ON PUBLIC BENEFIT ORGANISATIONS

Public Benefit organisations be exempted from rating

### 13.5 OTHER EXEMPTIONS

As determined in Section 17 of the Ac

## 14. CRITERIA FOR INCREASING OF RATES

It is proposed that the following be taken into account for the purpose of increasing /decreasing rates:

- 14.1 Priorities of a municipality reflected in its IDP.
- 14.2 The revenue needs of the municipality.
- 14.3 A need for management of rates shocks.
- 14.4 Affordability of rates to ratepayers.

## 15. LIABILITY FOR RATES BY PROPERTY OWNERS

### 15.1 Property rates payable by owners

In case of agricultural property owned by more than one owner in undivided shares where the holding of such undivided shares was allowed before the commencement of the subdivision of the Agricultural land Act, 1970 the municipality will treat the owner of such property for the purpose of liability for rates in the following manner;

The municipality has considered the following three scenarios:

#### SCENARIO 1

If the joint properly owners are all available and are traceable, the issue of who is liable for rates will be dealt with in the context of whether they have entered into an agreement or not regarding payment of rates liabilities'



In a circumstance where joint owners of the agricultural property have an agreement among themselves that a specific joint owner is liable for all rates levied in respect of that agricultural property, a municipality will hold such a specific joint owner liable for all rates levied in respect of the agricultural property. Such an agreement must be in writing and signed by all affected parties, and a certified copy thereof must be submitted to the municipality.

In a circumstance where joint owners of the agricultural property have an agreement among themselves that each joint owner is liable for that portion or rates on that property that represent that joint owner's undivided share in the agricultural property, a municipality will hold each joint owner liable for their portion of rate levied on the agriculture property. Such an agreement must be in writing and signed by all affected parties, and a certified copy thereof must be submitted to the municipality.

In a circumstance where joint owners of the agricultural property have not informed a municipality in writing as to who is liable for rates regarding agricultural property, a municipality will apply after 24(b)(i) or (ii) of the Act.

#### SCENARIO 2

If the joint property owners are not traceable with the exception of one joint owner and such joint owner is occupying or using the entire property of a significant larger portion of the entire property (e.g. 80%), the municipality will hold that joint owner liable for the total rates bill for that entire property.

#### SCENARIO 3

If the joint property owners are not traceable with the exception of one joint owner and such joint owner is occupying or using a small portion of the entire property, the municipality will hold that joint owner liable for that portion of rates levied on the entire property that represents that joint owner's undivided share in that property.

#### 15.2 Method and time of Payment

- i. The municipality will recover rates on a monthly basis.
- ii. Annual rates must be paid in monthly instalments to the municipality at the end of each month.
- iii. A municipality makes provision for the recovery of rates on a monthly basis, subject to conditions outlined in the credit control policy of the municipality.

#### 15.3 Deferral of payment of rates liabilities

The municipality will consider each and every application for deferral of rates, taking into account the merits and demerits of each and the financial implications thereof in so far as the cash - flow of the municipality is concerned.

The Council may grant exemptions, rebates and reductions in recognition of Section 15(2) of the Property Rates Act.

#### 16.1 Rebates

When a specific category of owners of properties or the owners of a specific category of properties quantity for more than one rebate at a given time, it will be calculated on the total amount

#### 16.2 Exemptions:

- i. Rateable property registered in the name of a welfare organization registered in terms of the National Welfare Act, 1978 (Act 100 of 1987);
- ii. Publicly controlled infrastructure as defined in the act;
- iii. Rateable property registered in the name of public benefit organization performing specified public benefit activities;
- iv. Cemeteries and crematoriums which are registered in the names of private person and which are used exclusively for burials and cremations, as the case may be;
- v. Museums, art galleries, libraries and botanical gardens which are registered in the names of private persons and which are open to public, whether admission is charged or not;
- vi. National monuments including ancillary business activities at national monuments;
- vii. Rateable property registered in the name of a trustee or trustees or any organization which is being maintained for the welfare of war veterans as defined in sec 1 of Social Aid Act (House of Assembly), 1989 (Act No 37 of 1989), and their families;
- viii. Sports grounds used for the purposes of amateur sport and any social activities which are connected with such sport;
- ix. 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 organization; etc
- x. Rateable property registered in the name of a declared institution as defined in section 1 of the Cultural Institutions Act, 1969 (Act No 29 of 1969), or the Cultural Institutions Act (House of Assembly), 1989 (Act No 66 of 1989);
- xi. Residential property that is occupied by the owner with a value below 20000
- xii. Persons who have reached the age of 60 years or more during the financial year, and physically or mentally disabled people who can substantiate receipt of a social pension, or persons certified by the Medical Officer of Health as physically or mentally handicapped, subject to the following conditions:
  - a) The joint income of the applicant and his/her spouse, if any for the year 30 June shall not exceed R90,000.00 or such higher amount determined during the budget;



- b) The rateable property concerned must be occupied only by the applicant and his/her spouse, if any and by dependants without income or by people because of specific circumstances in the Chief Financial Officer's opinion;
  - c) There must be not more than two (2) dwelling - units on the rateable Property concerned;
  - d) Applications for remission for the financial year must be received prior to 30 September on a form (which will be made available for this purpose by the Chief Financial Officer), and this information must be substantiated by an affidavit by the applicant;
  - e) The applicant must submit proof of his/her age and identity and, in the case of a physically handicapped person, also proof of the receipt of a social pensioner or, if not in receipt of such pension, proof of certified by a Medical Officer of Health;
  - f) The consumer's current account is paid in full; and
  - g) The property is categorized as residential
- xiii All other properties as specified in terms of Section 17(1Xa) - (i) of the MPRA

The exemption in 17.3.1 to 17.3.15 will be granted after an application has been considered by the Valuation Roll or Section 15(2) (a) - (f) of the Property Rates Act'

## **17. AMOUNT DUE FOR RATES**

A rate (cent amount in a Rand) will be reflected in the budget'

## **18. ANNUAL REVIEW OF RATES POLICY**

The municipality will annually review, and if necessary amend its rates policy taking into accounts public comments and inputs.

## **19. THE EFFECTIVE DATES OF THE RATES POLICY**

The rates policy takes effect from the start of the municipal financial year.

## **20. DISCLAIMER**

A rate cannot be challenged on the basis of non - compliance with this policy, and must be paid in accordance with the required payment provisions. Where a ratepayer believes that the Council has failed to properly apply this policy he/she should raise the matter with the Municipal Manager.