



GREATER GIYANI MUNICIPALITY

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PROPERTY RATES BY-LAW 2020 OF THE GREATER GIYANI MUNICIPALITY AS ADOPTED BY COUNCIL

COUNCIL RESOLUTION: CR120 – 29/06/20 SP

PROPERTY RATES BY LAW 2020

The Municipal Manager of Greater Giyani Local Municipality hereby in terms of section 13(a) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000), publishes the Property Rates By-Law for the Municipality as approved by its Council, as set out hereunder:

PREAMBLE

WHEREAS it is enshrined in section 229(1) of the Constitution of the Republic of South Africa that municipalities may impose rates on property and surcharges on fees for services provided by or on behalf of the municipality; and

WHEREAS the Municipal Property Rates Act, 2004 (Act no. 6 of 2004) (MPRA) provides the regulatory framework to which the municipality must comply with when imposing rates on the property, which includes but is not, limited to:

1.2.1 The adoption of a rates policy will be implemented and made effective by way of a Rates By-Law;

1.2.2 Criteria for determination of categories of properties and deferential rates for each category of properties;

1.2.3 Criteria to be applied for granting rates relief measures;

1.2.4 Levying of rates in sectional title schemes;

1.2.5 Appointment of a municipal valuer for preparation of a general valuation roll.

1.3 In terms of section 4(1)(c)(ii) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000), read with section 2 of the said Local Government Municipal Property Rates Act, the municipality has the right to finance the affairs of the municipality by imposing, inter-alia, rates on property. In terms of section 4(2) of the Local Government: Municipal Systems Act, 2000 (32 of 2000), council of a municipality, within the municipality's financial and administrative capacity and having regard to practical considerations, has the duty to-

(a) Exercise the municipality's executive and legislative authority and use the resources of the municipality in the best interests of the local community;

(b) Provide, without favour or prejudice, democratic and accountable government;

(c) Encourage the involvement of the local community;

(d) Strive to ensure that municipal services are provided to the local community in a financially and environmentally sustainable manner;

(e) Consult the local community about-

(i) The level, quality, range and impact of municipal services provided by the municipality, either directly or through another service provider; and

(ii) The available options for service delivery.

(f) Give members of the local community equitable access to the municipal services to

which they are entitled;

(g) Promote and undertake development in the municipality;

(h) Promote gender equity in the exercise of the municipality's executive and legislative authority;

(i) Promote a safe and healthy environment in the municipality;

(j) Contribute, together with other organs of state, to the progressive realization of the fundamental rights contained in sections 24, 25, 26, 27 and 29 of the Constitution; and

1.4 Further, a municipality must in the exercise of its executive and legislative authority respect the rights of citizens and those of other persons protected by the Bill of Rights.

1.5 **WHEREAS** in terms of section 62 of the Local Government: Municipal Finance Act, 2003 (Act 56 of 2003), the Municipal Manager must ensure that the municipality has and implements a rates policy embodied in a by-law as per section 6 of the said Local Government: Municipal Property Rates.

BE IT THEREFORE ENACTED by the Municipality, as follows:

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1. DEFINITIONS

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

“ **Act**” means the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004)

“ **Actual Use**” means actual activities that are taking place on the property.

“ Agent” means in relations to the owner of a property , meand 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.

“**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 pensioner, child-headed household, disabled people, household without income or with income that falls within a certain threshold and medical boarded people;

“**Municipality**” means Greater Giyani Local Municipality established in terms of section 12 of the Local Government: Municipal Structure Act, 1998 (Act 117 of 1998);

“**Municipal Manager**” means a person appointed in terms of section 54A of the Local Government: Municipal Systems Act, 2000;

“**Non-profit organization**” means any organization which is registered in terms of the Non- profit Organizations Act, 1997 (Act 71 of 1997);

“**Person**” means natural and legal person including an organ of state;

“Privately owned township” means single properties, situated in an area not ordinary being serviced by the municipality, divided through sub-divisions or township establishment units (ten or more) full title stands and/or sectional units and where all services inclusive of water, electricity, sewerage and refuse removal and roads development are installed at the full cost of the developer and maintained and rendered by the residents of such estate or township;

“Pensioner” means any owner of rateable property who has reached the age of 60 years or more;

“Special rating area” means a geographic area within which property owners agree to pay for certain services supplementary to those supplied by the municipality;

“the Act” means the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004);

“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; and

“Value of property” means the market value of the property as determined in terms of the Act;

2. Purpose

The purpose of this by-law is to:

2.1. comply with the provisions of the Municipal Property Rates Act, specifically with section 3 and 6 thereof;

2.2 give effect to the principles outlined hereunder;

2.3 ensure the equitable treatment of persons liable for rates;

2.4 determine the methodology and to prescribe procedures for the implementation of the Act;

2.5 determine criteria to be applied for the levying of differential rates for different categories of properties;

2.6 determine or provide criteria for the determination of categories of properties and

categories of owners of properties;

2.7 determine criteria to be applied for granting exemptions, rebates and reductions;

2.8 Determine how the municipality's powers must be exercised in relation to multi-purpose properties;

2.10 determine measures to promote local economic and social development; and

2.10 identify which categories of properties the municipality has elected not to rate as provided for in section 7 of the Act.

2.11 give effect to the implementation of the municipal property rates policy.

3. Categories of properties for differential rating purposes

(1) For the purposes of differential rates, the following categories of rateable property have been determined, being:

(a) Residential Property;

(b) Residential Property with special consent;

(c) Business, Commercial and Industrial Property;

(d) Agricultural Property;

(e) State owned Property;

(f) Public Service Infrastructure;

(g) Public Benefit Organization Property;

(h) Mining Property;

(i) Rural Communal Land;

(j) State Trust Land;

(k) Municipal property;

(l) Places of Public Worship;

(m) Protected area;

(n) Vacant land;

(o) Formal and informal settlements; and

(p) properties used for multiple purposes.

(2) Differential rating among the above determined categories of properties will be done by way of setting different rates in the rand for each property category.

(3) The criteria for weighting the categories determined above, for the purpose of determining cent in a rand amount (rates tariff) for each category, shall take account of the following :

(a) the reliance or otherwise of the owners of specific categories of property on services supplied by the Municipality;

(b) the strategic importance of a category of property with reference to the aims and objectives of the municipality and the Government of the Republic of South Africa as a whole (such as social, economic and developmental issues); and

(c) the nature of the category of property, including its sensitivity to rating.

4. Categories of owners of properties

- (1) The municipality has determined in its rates policy, the following categories of owners of property:
 - (a) Indigents;
 - (b) Pensioners, physically and mentally disabled;
 - (c) Owners temporarily without income;
 - (d) Owners of residential properties;
 - (e) Land reform beneficiaries;
 - (f) Sporting bodies; and
 - (g) Public benefit organizations.

5. Imposition of rates

- (1) The council shall as part of each annual operating budget cycle, impose a rate in the rand on the market value of all rateable property as recorded in the municipality's valuation roll and supplementary valuation roll. Rateable property shall include a property on which the municipality may in terms of section 2 of the Act levy a rate, excluding property fully excluded from the levy of rates in terms of the Act.
- (2) All ratepayers, in a specific category, as determined by council from time to time, will be treated equitably;
- (3) Property rates will be assessed on the market value of all rateable properties in the jurisdiction of the municipality;

6. Exemptions, reductions and rebates

- (1) The municipality shall in terms of the act and the criteria as set out in its rates policy-
 - (a) Exempt a specific category of owners of properties, or the owners of a specific category of properties, from payment of a rates levied on their property; or
 - (b) Grant to a specific category of owners of properties, or the owners of a specific category of properties, a rebate on or a reduction in the rates payable in respect of their properties.

7. Relief measures for property owners

- (1) The municipal council shall consider the need and desire to grant relief to a

specific category of owners of properties and owners of a specific category of properties as set out in its rates policy.

- (2) The municipality will not grant relief in respect of the payment of rates other than by way of an exemption, rebate or reduction provided for in this by-law and granted in terms of section 15 of the Act to:
- (a) a specified category of properties; or
 - (b) a specified category of owners of property as provided for hereunder.

8. Equitable treatment of ratepayers

8.1 This municipality is committed to treating all ratepayers on an equitable basis. "Equitable" does not necessarily mean "equal" treatment of ratepayers. The circumstances of each category of owner or category of property will be considered in a fair manner and within the limitations set out in the Act.

8.2 Any differentiation in the levying of rates must not constitute unfair discrimination.

9. Discretionary resolutions adopted by the municipality with respect to levying of rates

It is recorded that the Municipality has adopted the following resolutions:

- 9.1 To levy rates on all rateable property in its area of jurisdiction;
- 9.2 To determine the date of implementation as being 1 July 2016;
- 9.3 To determine the date of general valuation as being 2 July 2015
- 9.4 To levy different cents in the rand for different categories of rateable property;
- 9.5 That the categories of properties for the purpose of differential rating are those specified in this By-Law document;
- 9.6 That the criteria for the categorization in terms of section 8(1) of the Act shall be actual use where a property is improved and vacant land shall be categorized as a separate category irrespective of permitted use or zoning;
- 9.7 In case of a property used for multiple-purposes the category shall be determined according to the dominant use of the property;
- 9.8 To rate public service infrastructure (excluding municipal public service infrastructure) that is identifiable and to which a market related value can be determined with the proviso that the municipality may extend this annually to include other identifiable entities as the data set is developed; and
- 9.9 To not rate properties of which the municipality is the owner, except where leased

to a third party.

10. Liability for rates

(1) Liability for rates shall be as determined in chapter 3 of the Act.

11. Offences

(1) Any person who contravenes or fails to comply with the provision of this by-law shall upon conviction be guilty of an offence and be liable to a fine.

12. Review of this by-law

The by-law shall be reviewed on an annual basis to ensure that it complies with the Municipality's strategic objectives and with legislation

13. Repeal

Any by-law relating to Property Rates law previously promulgated by the municipality is hereby repealed

14. Short title and Commencement

(1) This By-Law is called Greater Giyani Local Municipality Property Rates By-Law 2017 and shall come into operation on a date to be determined by notice in the gazette by the municipality.

Signed by:

MAYOR: Cllr. SHIBAMBU B.A

Signature

29/06/2020
Date