

PUBLIC NOTICE

NOTICE IN TERMS OF SECTION 21 A OF THE LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT, ACT 32 OF 2000 AND SECTION 14 (2) OF THE LOCAL GOVERNMENT: MUNICIPAL PROPERTY RATES ACT, ACT 6 OF 2004 READ WITH THE LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, ACT 56 OF 2003

In terms of Section 2, 7, 8 and 14 of the Local Government: Municipal Property Rates Act 6 of 2004 ("the Act"), read with Sections 4(1)(c)(i) and 75A of the Local Government Municipal Systems Act 32 of 2000, the following rate in the Rand are proposed for the Financial Year 1 July 2020 to 30 June 2021, as per Council approval on 28 May 2020, on the market value of the property or on the market value of a right in the property within the area of jurisdiction of the Council as appearing in the valuation roll, in respect of the various categories of properties set out below.

The approved service tariffs and rates levies will come into operation on 1 July 2020.

PROPERTY RATES TARIFFS FOR 2020/2021

PROPERTY RATES TARIFFS FOR 2020/2021 FINANCIAL YEAR, EFFECTIVE 1 JULY 2020										
No	Tariff Code	Policy Ref	Property Category	Rate Ratio (to residential rate)	Tariff 2020/2021	Impermissible	Reductions	Exemptions	Rebate	
CATEGORIES OF PROPERTIES AS PER PROPERTY RATES POLICY										
1	RES001	9.1.8	Residential properties	1:1	0,008906	15,000		135,000		
2	IND001		Industrial properties	1:2	0,017813					
3	BUS001		Business and Commercial properties	1:2	0,017813					
4	AGR001		Agricultural properties	1:0.25	0,002227					
5	MNO01		Mining Properties	1:2	0,017813					
6	POS001		Properties owned by an organ of state and used for public service purposes	1:2	0,017813					
7	PSI001	9.1.7	Public Service Infrastructure properties	Exempt				100%		
8	PBO001	9.1.1	Properties owned by Public Benefit Organisations and used for specified public benefit activities	Exempt				100%		
9	SOP001		State Owned Properties	1:2	0,017813					
10	PRO001	9.1.4	Protected areas	Exempt				100%		
11	MUN001	9.1.2	Municipal properties	Exempt				100%		
12	PMN001	9.1.3	Public monuments and memorials	Exempt				100%		
13	UNR001		Unregistered Properties (Administrative Purposes)	Exempt				100%		
14	COM001	9.1.5	Communal land and Land Reform Beneficiaries	Exempt				100%		
15	POW001	9.1.6	Place of Worship and Vicarage	Exempt				100%		
16	VAC001		Vacant Land	1:3	0,026719					
CATEGORIES OF OWNERS QUALIFYING FOR ADDITIONAL REBATES										
17		9.3.7	Approved indigents	As per Council's Indigent Policy					100%	
18		9.3.1	Pensioners earning two state pensions with a combined income of R5000-R6000	Residential property owners who are over 60 years of age, who are both the permanent occupants and the sole owners of the property concerned whose aggregate household income do not exceed two state pensions per month					100% up to R1 300 000 property value	
19		9.3.1	Pensioners earning a combined income of between R6000 and R7 500 per month	Residential property owners who are over 60 years of age, who are both the permanent occupants and the sole owners of the property concerned whose aggregate household income do not exceed R7 500 per month					50% up to R1 300 000 property value	
20		9.3.2	Sports grounds used for amateur sports	Application Based					75%	
21		9.3.3	Old Age Institutions registered at the Department of Welfare	Application Based					85%	
22	RESAGR	9.3.4	Residential property owners residing on agricultural holdings	Owners of small holdings (with property type agricultural holdings / farms)					50% up to R750 000 property value	
23		9.3.5	Privately Owned Schools	Application Based					50%	
24	RESFLP	9.3.6	FLISP	First time owners of Government Flisp Housing who qualified for government subsidy. Once the Flisp subsidy beneficiary sells the property, the new property owner will not qualify for the rebate unless he/she is also a Flisp subsidy beneficiary.					75% up to R500 000 property value	
25	BREW01	9.4.1	Developer Incentive	Application Based					10%	
26	SAV005	9.4.1	Developer Incentive	Application Based					75%	
27		9.4.2 to 9.4.3	Special Development rebate on Residential, Business/Commercial and Industrial.	As per Council's Property Rates Policy						
28		9.3.8	Pensioners, indigent households, Flisp properties and Residential properties in terms of a Natural Disaster.	As per Council's Property Rates Policy					Additional R70 000 on the municipal valuation.	
Assessment Rates is Non Vatable				K.DESA ACT. EXECUTIVE DIRECTOR FINANCE						

1. GRANTING OF EXEMPTIONS, REBATES AND REDUCTIONS

Compulsory and mandatory exemptions will be in line with Sections 15 and 17 of the Local Government: Municipal Property Rates Act, 2004 as amended.

1.1 Exemptions

Sections 15 and 17 of the Act allow the granting of exemptions, reductions and rebates. These exemptions, reductions and rebates can be granted to either a specific category of properties, or a specific category of property owners.

- 1.1.1 Public Benefit Organisations will be exempted from paying property rates, subject to the property being in fully operation as the registered institution;
- 1.1.2 Municipal properties will be exempted from property rates;
- 1.1.3 Properties on which Public Monuments and Memorials are located will be exempted from property rates;
- 1.1.4 Properties located on special nature reserves, national parks or nature reserves within the meaning of the National Environmental Management: Protected Areas Act, 2003 (57 of 2003) or of a national botanical garden within the meaning of the National Environmental Management: Biodiversity Act 2004, (10 of 2004), which are not developed or used for commercial, business, agricultural or residential purposes will be exempt from paying property rates;
- 1.1.5 Properties belonging to a land reform beneficiary or his or her heirs, dependents or spouse will be exempt from paying property rates for the first ten years from the date on which such beneficiary's title was registered in the office of the Registrar of Deeds provided that upon alienation of the property by the land reform beneficiary or his or her heirs, dependents or spouse, property rates shall become payable;
- 1.1.6 Properties registered in the name of and used primarily as a place of public worship by a religious community, including the official residence registered in the name of that community which is occupied by the office bearer of that community who officiates at services at that place of worship will be exempt from paying property rates; and
- 1.1.7 Public Service Infrastructure will be exempted from paying property rates.
- 1.1.8 In order to alleviate the tax burden on residential property owners, all properties categorised as residential properties will, in addition to the impermissible rate of R15 000 prescribed in section 17(1)(h) of the Act, receive a further R135 000 exemption on the market value of a property.

1.2 Reductions

The Council may determine reductions to be applied to the market value of properties from time to time.

1.3 Rebates Pensioners

Persons dependent on a nominal income due to medical incapacitation – medical certificate must be attached as proof thereof.

- 1.3.1 Owners dependent on pensions or social grants: Residential property owners who are over 60 years of age, who are both permanent occupiers and the sole owners of the property concerned whose aggregate household income is between R5 000 and R6 000 per month does not exceed two state pensions per month will receive a rebate of 100% of their property rates for the first R1 300 000 of their property value. Residential property owners who are over 60 years of age, who are both permanent occupiers and the sole owners of the property concerned whose aggregate household income does not exceed R7 500 per month will receive a rebate of 50% of their property rates for the first R1 300 000 of their property value (i.e. maximum of R1 150 000 after the first R150 000 residential reduction has been applied). Property Owners with more than 1 property will not qualify for Pensioner Rebates. Pensioner rebates will be valid for a period of 12 months from date of approval.
- 1.3.2 Sports grounds used for amateur sports will receive a rebate of 75% of their property rates (application based, annually).
- 1.3.3 Old age institutions registered at the Department of Welfare will receive a rebate of

85% of their property rates (application based, annually).

- 1.3.4 Owners of small holdings (with property type as contained in the valuation roll, agricultural holdings / farms) where the usage is indicated as a residential dwelling, will receive a rebate of 50% of their property rates for the first R750 000 of their property value (i.e. maximum of R600 000 after the first R150 000 residential reduction has been applied).
- 1.3.5 Owners of Private Schools will receive a 50% rebate of their property rates, subject to the school being registered as such at the Deeds Office and with the Department of Education.
- 1.3.6 First time owners of Government Flisp Housing who qualified for government subsidy will receive a 75% rebate of their property rates for the first R500 000 of their property value (i.e. maximum of R350 000 after the first R150 000 residential reduction has been applied). Once the Flisp subsidy beneficiary sells the property, the new property owner will not qualify for the rebate unless he / she is also a Flisp subsidy beneficiary.
- 1.3.7 Indigent Customers will be exempted from Property Rates.
- 1.3.8 In the event of owners of properties situated within an area affected by a disaster within a meaning of Disaster Management Act, (Act No. 57 of 2002), and the Property Rates Act, as amended, Section 15(2) (c) and (d), and any other serious adverse social or economic conditions, an additional R70 000 exemption on municipal valuation will be provided to Pensioners, Indigent households, Flisp properties and Residential properties. Council will determine the period for which the rebate will apply.

1.4 Development incentives and special rebates

1.4.1 Development Incentives

The objectives of the incentives are to attract investors who will bring the expertise, funds and the capacity to develop property categories such as residential, business and commercial, industrial, agricultural, educational institutions and others but also to fast track other normal developments within the Midvaal Local Municipality area;

Property Developers must submit a proper motivation (in writing) to the municipality which should include but not limited to:

- Timeframes;
- Cost of development;
- How will municipality and community benefit, etc;

The particulars of the incentive such as the percentage, cent in the rand, etc. will only be granted once formally approved by the Council or if such an incentive forms part of the Council's approved Land Development Incentive Policy;

The Municipality reserves the right to refuse or reverse any rebate if the details submitted in the application are incomplete, incorrect, or false.

1.4.2 Special rebate on Residential

In order to be granted a special rebate, the development must consist of at least 10 residential units and more.

For the purpose of special rebates on residential development which is defined as any construction in a designated (Residential zoned area), the property rates will be phased in as follows after completion of the development, which is subjected to the occupancy certificate being issued:

- In the first year a rebate of 100%
- In the second year a rebate of 75%
- In the third year a rebate of 50%

The rebate will fall away on receipt of an Occupancy Certificate, and the full property rates will be payable.

1.4.3 Special rebate on Industrial

For the purpose of special rebates on industry development which is defined as any construction in a designated (Industrial Site Zone), the property rates will be phased in as

follows after completion of the development:

- In the first year a rebate of 100%
- In the second year a rebate of 75%
- In the third year a rebate of 50%

In the fourth year the full property rates will be payable

The resolution regarding the service tariffs and rates levies are available at the Municipality's Head office (Rates Section), satellite offices and libraries for public inspection during office hours as well as on the official website of the municipality, www.midvaal.gov.za.

Ward Councillors can be contacted for information. If you are not familiar with your Ward Councillor or his/her contact details, kindly phone the Speakers Office at (016) 360 7680.

Further information on the Tariffs and Rates Levies can be obtained from Finance Department, Mr. Arie Meiring at telephone (016) 360 7527 during normal working hours, 07h30 to 16h00 as soon as the lock down period as a result of the Covid 19 pandemic has ended.

Municipal Manager
Midvaal Local Municipality
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1960

MN 1966/2020

MRS. S.N. MHLANGA
MUNICIPAL MANAGER

