

Resolution on levying property rates in terms of Section 14 of the Local Government Municipality Property Rates Act No. 6 of 2004.

NOTICE NO. MN 98 / 2022

Date: 31.05.2022

KWADUKUZA MUNICIPALITY

**RESOLUTION LEVYING PROPERTY RATES FOR THE FINANCIAL YEAR
1 JULY 2022 TO 30 JUNE 2023.**

Notice is hereby given in terms of section 14(1) and (2) of the Local Government: Municipal Property Rates Act, 2004; that at its meeting of 30 May 2022, the Council resolved by way of council resolution number C577/2022, to levy the rates on property reflected in the schedule below with effect from 1 July 2022.

Category of property	Rate ratio	Cent amount in the Rand rate determined for the relevant property category
Residential property	1:1	0.865 c/R
Residential properties used for commercial used	1:2	2.676 c/R
Business and commercial property	1:2	2.676 c/R
Vacant land	1:2	2.676 c/R
Properties used for worship.	1:0	0.000 c/R
Industrial property	1:2	2.676 c/R
Agricultural property	1:0.25	0.217 c/R
Mining property	1:2	2.549 c/R
Public service infrastructure property	1:0.25	0.217 c/R
Public benefit organisation property	1:0	0.000 c/R
Public Service Properties	1:2	2.676 c/R
Unauthorised or illegal development or use and	1:5	5.000 c/R

abandoned property or building.		
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EXEMPTIONS, REDUCTIONS AND REBATES

Residential Properties: In respect of improved residential properties, in addition to the R15 000 statutory impermissible rate as per section 17(1) (h) of the Municipal Property Rates Act., a further reduction of R85 000 is approved for property values exceeding R130 000. Persons owning improved residential property with a rateable value of R130 000 and below will be not be liable for the payment of rates.

- 76.09% rebates in residential used for commercial properties
- 38.91% rebates in guesthouse Properties

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That improved residential property with a rateable value of R130 000 and below, owned by registered indigent beneficiaries be exempt from the calculation of rates.

Properties used for worship be exempt from calculation of rates.
Public benefit organisations be exempt from calculation of rates.

Determination of rates

In terms of the Final Rates Policy 2022/23, the Municipality may levy different rates for different categories of properties. The rating structure for 2022/23 financial year is proposed as follows:

- 0.865 cents in the Rand on the market value in respect of residential properties (including bed and breakfast establishments consisting of three bedrooms or less), and property categories not stated hereunder.
- 2.676 cents in the Rand on the market value in respect of residential properties used for commercial purposes (including bed and breakfast establishments comprising more than 3 bedrooms, apartment and villa establishments, and guesthouses of up to six rooms).
- 0.2174 cents in the Rand on the market value in respect of agricultural properties and public service infrastructure properties.
- 2.676 cents in the Rand on the market value in respect of industrial, business and commercial properties, mining properties, vacant properties, properties used for public service purposes.
- 0.000 cents in the rand on properties used for worship and public benefit organisations .
- 2.676 cents in the Rand on the market value in respect of guesthouses of more than 6 rooms.
- 5 cents in the Rand in respect of the unauthorised or illegal development or use and abandoned property or building.

- An additional 0.32 cents in the Rand on the market value in respect of commercial properties situated within the Special Rating Area as designated by Council
- That the first R50 000 of all vacant residential properties owned by registered indigent beneficiaries be exempt from the calculation of rates
- The first 30% of all Public Service Infrastructure (PSI) properties be exempt from the calculation of rates.

1. Exemptions, rebates and reductions

In terms of qualifying criteria set out in the rates policy of the Council, the 2022/23 rates be subject to the following exemptions, rebates and reductions:

- A general rebate, applicable in the 2022/23 financial year only, in respect of all categories of properties, excluding properties in receipt of developers' rebates and unauthorised or illegal development or use and Abandoned Property Building: 25%

The following shall apply after deduction of the general rebate:

- Pensioners and Disability Grantees rebates:
 - Applicants under the age of 65 years - 25%
 - Applicants between 65 and 75 years - 30%
 - Applicants older than 75 years - 35%
- Agricultural properties: 50%
- Rebate: child headed households: 100%
 - Excluded Services Rebate: 15%
(Applicable only in respect of existing service level agreements)
 - Places of worship: 100%
 - Public benefit organizations: 100%
 - Land reform beneficiaries: 100%
- State land: 100%
- Commercial Developers incentives:

100% rebate -	Year 1
90% rebate -	Year 2
80% rebate -	Year 3
70% rebate -	Year 4
60% rebate -	Year 5
No Incentive -	From year 6 onwards

Please note general rebate not applicable to commercial developers.

Residential Developers incentives, applicable only in respect of existing service level agreements:

100% rebate -	Year 1
100% rebate -	Year 2
90% rebate -	Year 3
80% rebate -	Year 4
70% rebate -	Year 5
60% rebate -	Year 6
50% rebate -	Year 7
No Incentive -	From year 8 onwards

Please note general rebate not applicable.

- 100% rebate in respect of the following PSI properties (phasing out of rates):
 - national, provincial or other public roads on which goods, services or labour move across a municipal boundary;
 - 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; and
 - Railway lines forming part of a national railway system.

2. **Date of operation of determination of rates**

That this determination comes into operation on 01 July 2022.

3. **Final date for payment of rates:**

- **Annual payment of rates:** That the final date for the payment of annual rates be fixed at 30 September 2022. Interest and administration charges will be raised in terms of Council's Credit Control & Debt Collection Policy and Tariff of Charges. Any capital rates outstanding as at 30 November 2022 will be subject to an administration charge of 10% as stipulated in Council's Credit Control Policy and Tariff of Charges.
- **Monthly rates payments:** That rates may be paid in 11 (eleven) equal instalments with the first instalment payable on or before the last municipal working day of August 2022. Thereafter each monthly instalment must be paid on or before the last working day of each month and provided that interest will accrue at 10% per annum in terms of Council's Credit Control & Debt Collection Policy and Tariff of Charges if an instalment is not paid by the last working day of the month. Any capital rates outstanding as at 30 June 2023 will be subject to an administration charge of 10% as stipulated in Council's Credit Control & Debt Collection Policy and Tariff of Charges.

- Council will by special arrangement with individual property owners agree that rates be paid annually. Application to pay rates on an annual basis must be completed by 15 July 2022.

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