

MSUNDUZI MUNICIPALITY MUNICIPAL PROPERTY RATES BYLAWS

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The Msunduzi Municipality, acting in terms of section 156 of the Constitution of the Republic of South Africa, Act 108 of 1996 read with section 3 of the Local Government: Municipal Property Rates Act 6 of 2004, has made the following bylaws.

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1. DEFINITIONS:

In these bylaws, and in addition to the definitions in the Act, unless the context indicates otherwise -

- 1.1. **"agricultural property"** means a property that is used for gain and also for agricultural purposes, including but not limited to the cultivation of soils, forestry, the rearing of livestock and game, the breeding of fish and other animals but excludes a property used for the purpose of eco-tourism, the trading in or hunting of game, the hospitality of guests for gain, provided that in respect of any property on which game is reared, traded or hunted, any portion that is used for the hospitality of guests for gain shall not be regarded as an agricultural property;
- 1.2. **"business" or "commercial property"** means any property used for the buying, selling or trading in commodities, goods or services and includes any office, accommodation or facility on the same property, the use of which is incidental to such activity or property;
- 1.3. **"category" -**
 - 1.3.1. in relation to property, means a category of properties determined in terms of section 8 of the Act; and
 - 1.3.2. In relation to owners of properties, means a category of owners determined in terms of section 15(2) of the Act;
- 1.4. **"child headed household"** means a household where both parents are deceased and where all occupants of the property are children of the deceased and are all under the legal age to contract for services and are considered as minors in law by the state
- 1.5. **"developer"** means an owner who purchases raw land and installs the necessary Infrastructure for the purposes of providing services for development of the land for residential, industrial or commercial purposes;
- 1.6. **"dwelling, shops, flats"** (DSF) means any property where a commercial component exists together with a block of residential units provided that two thirds or more of the total floor area of all buildings is used

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for residential purposes;

- 1.7. *"effective date"*
- 1.7.1. 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
- 1.7.2. 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;
- 1.8. *"financial year"* means the period starting from 1 July in a particular year to 30 June the next year;
- 1.9. *"impermissible rates properties"* means all properties contained in the valuation roll that are not permitted to be rated in terms of Section 17 of the Act;
- 1.10. *"industrial property"* means property used for the trading in, the manufacturing and production of goods and products or the assembly or processing of finished products and goods from raw materials or fabricated parts in respect of which capital and labour are utilised, and includes any office, accommodation or other facility on the same property, the use of which is incidental to such industrial activity;
- 1.11. *"land reform beneficiary"*, in relation to a property, means a person who-
- 1.11.1. Acquired the property through-
- 1.11.1.1. The Provision of Land and Assistance Act, 1993 (Act 126 of 1993); or
- 1.11.1.2. The Restitution of Land Rights Act, 1994 (Act No. 22 of 1994)
- 1.11.2. Holds the property subject to the Communal Property Associations Act, 1996 (Act. No. 28 of 1996); or
- 1.11.3. Holds or acquires the property in terms of such other land tenure reform legislation as may pursuant to section 25(6) and (7) of the Constitution be enacted after the Act has taken effect;
- 1.12. *"market value"* in relation to a property, means the value of such property determined in accordance with section 46 of the Act;
- 1.13. *"Minister"* means the Cabinet member responsible for local government;
- 1.14. *"multiple purposes"* means a property used for more than one purpose.
- 1.15. *"municipal property"* means a property registered in the name of and occupied by the Msunduzi Municipality.
- 1.16. *"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-
- 1.16.1. A property which was incorrectly omitted from a valuation roll and for that reason was not rated before that date; and
- 1.16.2. A property identified by the Minister by notice in the Gazette where the phasing-in of a rate is not justified;
- 1.17. *"mining property"* means a property used for mining operations as defined in the Minerals and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002)
- 1.18. *"occupier"* means any person who occupies any property or part thereof, without regard to the title under which he/she occupies the property.
- 1.19. *"other property"* means all properties that are not allocated as yet to the rates property categories in respect of section 14.1 - 14.15 of the Msunduzi Municipality Rates Policy
- 1.20. *"owner"*-
- 1.20.1. in relation to a property referred to in bylaw 1.24.1, means a person in whose name ownership of the property is registered;
- 1.20.2. in relation to a right referred to in bylaw 1.24.2, means a person in whose name the right is registered;
- 1.20.3. in relation to a land tenure right referred to in bylaw 1.24.3, means a person in whose name the right is registered or to whom it was granted in terms of legislation; or
- 1.20.4. in relation to public service infrastructure referred to in bylaw 1.24.4, means the organ of state which owns or controls that public service infrastructure as envisaged in the definition

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of "publicly controlled" provided for in the Act, provided that a person mentioned below may for the purposes of this Act be regarded by the municipality as the owner of a property in the following cases:

- 1.20.4.1. a trustee, in the case of a property in a trust excluding state trust land;
- 1.20.4.2. an executor or administrator, in the case of a property in a deceased estate;
- 1.20.4.3. a trustee or liquidator, in the case of a property in an insolvent estate or in liquidation;
- 1.20.4.4. a judicial manager, in the case of a property in the estate of a person under judicial management;
- 1.20.4.5. a curator, in the case of a property in the estate of a person under curatorship;
- 1.20.4.6. 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;
- 1.20.4.7. a lessee, in the case of a property that is registered in the name of a municipality and is leased by it; or
- 1.20.4.8. 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;
- 1.20.4.9. a lessee, in the case of property to which a land tenure right as defined in the Act applies and which is leased to the holder of such right.

1.21. **"permitted use"** in relation to a property, means the limited purposes for which the property may be used in terms of -

- 1.21.1. Any restrictions imposed by-
 - 1.21.1.1. A condition of title;
 - 1.21.1.2. A provision of a town planning or land use scheme; or
 - 1.21.1.3. Any legislation applicable to any specific property or properties; or
- 1.21.2. Any alleviation of any such restrictions;

1.22. **"person"** includes any organ of state

1.23. **"place of worship"** means a property registered in the name of and used primarily as a place of public worship by a religious community, including one official residence registered in the name of that community which is occupied by an office bearer of that community who officiates at services at such a place of worship,

1.24. **"property"** means-

- 1.24.1. 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;
- 1.24.2. a right registered against immovable property in the name of a person, excluding a mortgage bond registered against the property;
- 1.24.3. a land tenure right registered in the name of a person or granted to a person in terms of legislation; or
- 1.24.4. public service infrastructure;

1.25. **"protected area"** means an area that is or has to be listed in the register referred to in 10 of the National Environmental Management; Protected Areas Act, 2003.

1.26. **"public benefit organisation property"** means any property owned by a public benefit organisation and used for any specified public benefit activity listed in part 1 of the ninth Schedule to the Income Tax Act excluding Item 3 and 5 being land and housing, places of worship already where rebates, reductions and exemptions have already been considered under impermissible rates.

1.27. **"public service infrastructure"** means publicly controlled infrastructure of the following kinds:

- 1.27.1. national, provincial or other public roads on which goods, services or labour move across a municipal boundary;
- 1.27.2. 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

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- public;
- 1.27.3. power stations, power substations or power lines forming part of an electricity scheme serving the public;
- 1.27.4. gas or liquid fuel plants or refineries or pipelines for gas or liquid fuels, forming part of a scheme for transporting such fuels;
- 1.27.5. railway lines forming part of a national railway system;
- 1.27.6. communication towers, masts, exchanges or lines forming part of a communications system serving the public;
- 1.27.7. runways or aprons at national or provincial airports;
- 1.27.8. any other publicly controlled infrastructure as may be prescribed; or
- 1.27.9. a right registered against immovable property in connection with infrastructure mentioned in bylaws 1.27.1 to 1.27.8;
- 1.28. **"rate randage"** means the randages determined in terms of bylaw 8.2;
- 1.29. **"residential property"** means a property included in the valuation roll as residential;
- 1.30. **"rural communal property"** means any agricultural or township property where there is a single cadastral holding developed predominantly for residential purposes and/or traditional rural homesteads, and which may also have a variety of non-residential structures which collectively constitute the minority in terms of measured building area, including property belonging to the Ingonyama Trust Board and property belonging to a land reform beneficiary, where the dominant use is residential rather than commercial agricultural.
- 1.31. **"sectional title garages"** means any garage within a residential sectional title scheme that has been registered as a separate sectional title unit.
- 1.32. **"small home business"** means a property previously categorised as residential, being utilised for financial gain to conduct business operations in terms an approved Planning scheme consent, provided that such use of the property is in accordance with conditions imposed under such consent; where any consent has been obtained in terms of the Town Planning scheme to run this business on the premises. All conditions in respect of the Special Consent will apply.
- 1.33. **"the Act"** means the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004).
- 1.34. **"unauthorized use property"** means any property or part thereof used in conflict with the permitted use of such property as provided for in any applicable Town Planning Scheme or other relevant legislation and any property or part thereof developed or improved contrary to the provisions of National Building Regulations and Building Standards Act 103 of 1977, the Planning and Development Act (Kwazulu Natal) 6 of 2008 or any other relevant legislation
- 1.35. **"vacant land"** means any undeveloped property as listed in the valuation roll

PART 2: LEVYING OF RATES

2. LEVYING OF RATES

- 2.1. The Municipality shall levy rates on all rateable property within its area, provided that it may, by resolution, grant exemptions from, rebates on or reductions in, rates levied in terms of this bylaw or in terms of a national framework prescribed under the Act.
- 2.2. In levying rates on property the Municipality shall not be obliged to levy rates on properties of which it is the owner, or public service infrastructure, or on properties in respect of which it is impossible or unreasonably difficult to establish a market value because of legally insecure tenure resulting from past racially discriminatory laws or practices.

3. DIFFERENTIAL RATES

- 3.1. The Municipality shall be entitled to levy different rates for different categories of properties in accordance with the criteria set out in the bylaw below.
- 3.2. The criteria for levying different rates for different categories of properties are as follows:
- 3.2.1. the use of the property, and
- 3.2.2. the permitted use of the property.

4. IMPERMISSIBLE DIFFERENTIATION

- 4.1. The Municipality shall not levy -
- 4.1.1. different rates on residential properties, except as provided for in the Act;
 - 4.1.2. a rate on a category of non-residential properties that exceeds a prescribed ratio to the rate on residential properties determined in terms of section 11(1) (a) of the Act: Provided that different ratios may be set in respect of different categories of non-residential properties;
 - 4.1.3. rates which unreasonably discriminate between categories of non-residential properties;
 - 4.1.4. additional rates except as provided for in section 22 [Special Rating Areas] of the Act.
- 4.2. The ratio referred to in bylaw 4.1.2 may only be prescribed with the concurrence of the Minister of Finance.

5. PROPERTIES USED FOR MULTIPLE PURPOSES

A property used for multiple purposes must, for rating purposes, be assigned to a category determined by the Municipality in accordance with s9 of the Act.

6. LEVYING OF PROPERTY RATES ON SECTIONAL TITLE SCHEMES

- 6.1. A rate on property which is subject to a sectional title scheme shall be levied on the individual sectional title units in the scheme and not on the property as a whole.

7. AMOUNT DUE FOR RATES

- 7.1. The rate levied by the Municipality shall be an amount in the Rand on the market value of the property or as otherwise provided by the Act.

8. PERIOD FOR WHICH RATES MAY BE LEVIED

- 8.1. The Municipality shall levy rates for one financial year at a time. At the end of each financial year the rate levied for that financial year shall lapse.
- 8.2. The Municipality shall, annually, at the time of its budget, set the amount in the Rand payable for rates.
- 8.3. The levying of rates shall form part of the Municipality's annual budget process as set out in Chapter 4 of the Local Government: Municipal Finance Management Act, (Act No. 56 of 2003).

9. COMMENCEMENT OF RATES

- 9.1. Rates levied by the Municipality shall become due and payable as from the start of the financial year.

10. PROMULGATION OF RESOLUTIONS LEVYING RATES

- 10.1. A rate is levied by the municipality by resolution passed by the municipal council with a supporting vote of a majority of its members.
- 10.2. (a) A resolution levying rates in the Municipality must be annually promulgated, within 60 days of the date of the resolution, by publishing the resolution in the Provincial Gazette
- (b) The resolution must-
- (i) contain the date on which the resolution levying rates was passed
 - (ii) differentiate between categories of properties, and
 - (iii) reflect the cent amount in the Rand rate for each category of property
- 10.3. Whenever the municipality passes a resolution in terms of subsection (1), the municipal manager must, without delay-
- (a) conspicuously display the resolution for a period of at least 30 days-
- (i) at the municipality's head and satellite offices and libraries; and
 - (ii) if the municipality has an official website or a website available to it as envisaged in section 21B of the Municipal Systems Act, on that website; and
- (b) advertise in the media a notice stating that-
- (i) a resolution levying a rate on property has been passed by the council; and
 - (ii) the resolution is available at the municipality's head and satellite offices and libraries for public inspection during office hours and, if the municipality has an official website or a website available to it, that the resolution is also available

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on that website.

11. EXEMPTIONS, REDUCTIONS AND REBATES

- 11.1. The Municipality shall not grant relief in respect of the payment of rates other than by way of exemption, rebate or reduction, nor shall it grant such relief to the owner of a property on an individual basis.
- 11.2. The municipal manager must annually table in the council of the municipality a-
- (a) list of all exemptions, rebates and reductions granted by the municipality in terms of subsection during the previous financial year; and
 - (b) statement reflecting the income for the municipality foregone during the previous financial year by way of-
 - (i) such exemptions, rebates and reductions;
 - (ii) exclusions referred to in section 17(1)(a), (e), (g), (h) and (i) of the Act; and
 - (iii) the phasing-in discount granted in terms of section 21 of the Act.
- 11.3. The Council shall identify, and provide reasons for, exemptions, rebates and reductions when the annual budget is tabled in terms of section 16(2) of the Local Government: Municipal Finance Management Act, 2003.

12. CATEGORIES OF PROPERTIES

- 12.1. The Municipality may, by resolution, grant exemptions, reductions and rebates in respect of the following categories of properties:
- 12.1.1. agricultural properties;
 - 12.1.2. commercial properties
 - 12.1.3. DSF properties
 - 12.1.4. impermissible rates property;
 - 12.1.5. industrial properties
 - 12.1.6. mining property;
 - 12.1.7. public benefit organisation property;
 - 12.1.8. public service infrastructure;
 - 12.1.9. residential property;
 - 12.1.10. rural communal property;
 - 12.1.11. sectional title garages (separately registered)
 - 12.1.12. small home business;
 - 12.1.13. unauthorized use property;
 - 12.1.14. vacant land;
 - 12.1.15. other property

PART 3: LIMITATIONS OF LEVYING OF RATES

13. IMPERMISSIBLE RATES

- 13.1. The Municipality shall not levy rates on property in a way that would materially and unreasonably prejudice national economic policies, economic activities across its boundary or the national mobility of goods, services, capital or labour as provided for in section 229(2)(a) of the Constitution.
- 13.2. Other impermissible rates-
- 13.2.1. The municipality may not levy a rate-
 - (a) on the first 30% of the market value of public service infrastructure
 - (b) on those parts of a special nature reserve, national park or nature reserve within the meaning of the National Environmental Management: Protected Areas Act, 2003 (Act No, 57 of 2003), or of a national botanical garden within the meaning of the National Environmental Management: Biodiversity Act, 2004 (Act

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No, 10 of 2004), which are not developed or used for commercial, business, agricultural or residential purposes;

- (c) On mineral rights within the meaning of paragraph (b) of the definition of "property" in section 1 of the Act;
 - (d) on a property belonging to a land reform beneficiary or his or her heirs, provided that this exclusion lapses ten years from the date on which such beneficiary's title was registered in the office of the Registrar of Deeds;
 - (e) on the first R15 000 of the market value of a property assigned in the valuation roll or supplementary valuation roll of a municipality to a category determined by the municipality-
 - (i) for residential properties; or
 - (ii) for properties used for multiple purposes, provided one or more components of the property are used for residential purposes; or
 - (f) on a property registered in the name of and used primarily as a place of public worship by a religious community, or one official residence registered in the name of that community which is occupied by an office-bearer of that community who officiates at services at that place of worship.
- 13.2.2. (a) The exclusion from rates of a property referred to in bylaw 13.2.1 (b) lapses if the declaration of that property as a special nature reserve, national park, nature reserve or national botanical garden, or as part of such a reserve, park or botanical garden, is withdrawn in terms of the applicable Act mentioned in that subsection.
- (b) If the property in respect of which the declaration is withdrawn is privately owned, the owner, upon withdrawal of the declaration, becomes liable to the municipality concerned for any rates that, had it not been for subsection bylaw 13.2.1 (b) would have been payable on the property during the period commencing from the effective date of the current valuation roll of the municipality. If the property was declared as a protected area after the effective date of the current valuation roll, rates are payable only from the date of declaration of the property.
- (c) The amount for which an owner becomes liable in terms of bylaw 13.2.2.(b) must be regarded as rates in arrears, and the applicable interest on that amount is payable to the municipality.
- (d) Bylaws 13.2.2. (b) and 13.2.2(c) apply only if the declaration of the property was withdrawn because of a decision by the private owner for any reason to withdraw from the agreement concluded between the private owner and the state in terms of the Protected Areas Act, and in terms of which the private owner initially consented to the property being declared as a protected area; or a decision by the state to withdraw from such agreement because of a breach of the agreement by the private owner.
- 13.2.3. The Minister, acting with the concurrence of the Minister of Finance, may from time to time notice in the Gazette, increase the monetary threshold referred to in bylaw 13.2.1(e) to reflect inflation.
- 13.2.4. The Minister may, by notice in the Gazette, lower the percentage referred to in bylaw 13.2.1(a) but only after consultation with-
- (a) relevant Cabinet members responsible for the various aspects of public service infrastructure;
 - (b) organised local government; and
 - (c) relevant public service infrastructure entities.
- 13.2.5. (a) The exclusion from rates of a property referred to in bylaw 13.2.1 (f) lapses if the property is disposed of by the religious community owning it; or is no longer used primarily as a place of public worship by a religious community or, in the case of an official residence contemplated in that subsection, is no longer used as such an official residence.
- (b) If the exclusion from rates of a property used as such an official residence lapses, the religious community owning the property becomes liable to the municipality concerned for any rates that, had it not been for subsection bylaw 13.2.1 (f) would have been payable on the property during the period of one

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year preceding the date on which the exclusion lapsed.

- (c) The amount for which the religious community becomes liable in terms of bylaw 13.2.5 (b) must be regarded as rates in arrears, and the applicable interest on that amount is payable to the municipality.

14. PRIMARY REBATES PER CATEGORY OF PROPERTY

- 14.1. The Municipality may by resolution grant a rebate on the rate payable on the following categories of rateable properties -
- a) agricultural property;
 - b) commercial property;
 - c) Dwelling, shops and flats (DSF) properties;
 - d) industrial properties;
 - e) mining property;
 - f) public benefit organisation property;
 - g) public service infrastructure; h) residential properties;
 - i) rural communal properties;
 - j) sectional title garages (separately registered)
 - k) small home business; and I) other property.
- 14.2. The Municipality shall in each financial year determine the amount of the rebate to be granted to each of the categories specified in bylaw 14.1.

15. REBATES PER CATEGORY OF OWNER

- 15.1. The Municipality may grant a rebate on a property owned and occupied by the Msunduzi Municipality.
- 15.2. The Municipality may grant a rebate on a property whose owner is in receipt of an old age pension or disability grant, provided that the applicant satisfies all the criteria for such rebate.
- 15.3. The Municipality may grant a rebate to child headed households provided that all the criteria for a rebate are met.
- 15.4. The Municipality may grant a rebate on a rateable property which has been listed in terms of clause 7.2 of the Pietermaritzburg Town Planning Scheme, or any other property which it considers having sufficient historic or architectural interest or merit to justify the preservation thereof, provided that the owner of such property qualifies in terms of the criteria for this rebate.
- 15.5. The Municipality may grant a rebate to developers who own property and install the necessary infrastructure for the development of the raw land and which results in an enhanced market value of the land, provided that the owner of such property satisfies the criteria for such rebate.
- 15.6. A rebate granted on the rate payable on any property referred to in bylaw 15.2 to bylaw 15.5, inclusive, is conditional upon there being no outstanding rates or service charges owing and payable on such property except to an owner who is in receipt of an old age pension, disability grant or child headed household, provided that an arrangement in terms of the credit control policy for any arrears is in place, and is being maintained.
- 15.7. No rebate will be granted to any developer as envisaged in 15.5 above, who has previously received a business concession or development incentive from Municipality for any part of the development.

PART 4: ADDITIONAL RATES

16. ADDITIONAL RATES FOR SPECIAL RATING AREAS

- 16.1. The Municipal Council may by resolution of its council -
- 16.1.1. determine an area within the Municipality as a special rating area;
 - 16.1.2. levy an additional rate on the property in that area for the purpose of raising funds for improving or upgrading that area; and
 - 16.1.3. Differentiate between categories of properties when levying an additional rate referred to in bylaw 16.1.2
- 16.2. Before determining a special rating area the Municipality must -

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- 16.2.1. Consult the affected community on the proposed boundaries on the following matters
 - 16.2.1.1. The proposed boundaries of the area; and
 - 16.2.1.2. The proposed improvement or upgrading of the area; and
- 16.2.2. Obtain the consent of the majority of the members of the affected community in the proposed special rating area who will be liable for paying the additional rate.
- 16.3. When a municipality determines a special rating area, the Municipality -
 - 16.3.1. must determine the boundaries of the area;
 - 16.3.2. must indicate how the area is to be improved or upgraded by funds derived from the additional rate;
 - 16.3.3. must establish separate accounting and other record- keeping systems regarding -
 - 16.3.3.1. the revenue generated by the additional rate; and
 - 16.3.3.2. the improvement and upgrading of the area; and
 - 16.3.4. may establish a committee composed of persons representing the community in the area to act as consultative and advisory forum for the municipality on the improvement and upgrading of the area, provided representivity, including gender representivity, is taken into account.
- 16.4. This section may not be used to reinforce existing inequities in the development of a municipality, and any determination of a special rating area must be consistent with the objectives of the municipality's integrated development plan
- 16.5. This section must be read with section 85 of the Municipal Systems Act if this section is applied to provide funding for an internal municipal services district established in terms of that section of the Municipal Systems Act.
- 16.6. The municipality may enact by-laws to further regulate special rating areas. In the event of any conflict between bylaw 16 and any other bylaws, bylaw 16 shall prevail to the extent necessary.

17. REGISTER OF PROPERTIES

- 17.1. A municipality must draw up and maintain a register in respect of properties situated within that municipality, consisting of a Part A and a Part B.
 - 17.1.1. Part A of the register consists of the current valuation roll of the municipality, including any supplementary valuation rolls of the municipality prepared in terms of section 78.
 - 17.1.2. Part B of the register must specify which properties on the valuation roll or any supplementary valuation rolls are subject to-
 - (g) an exemption from the rate in terms of section 15 of the Act;
 - (h) a rebate on or a reduction in the rate in terms of section 15 of the Act;
 - (i) a phasing-in of the rate in terms of section 21 of the Act; or
 - (j) an exclusion referred to in section 17(1)(a), (e), (g), (h) and (i) of the Act.
 - 17.1.3. The register must be open for inspection by the public during office hours. If the municipality has an official website or another website available to it, the register must be displayed on that website.
 - 17.1.4. A municipality must at regular intervals, but at least annually, update Part B of the register. Part A of the register must be updated in accordance with the provisions of this Act relating to the updating and supplementing of valuation rolls.

PART 5: LIABILITY FOR RATES

18. PROPERTY RATES PAYABLE BY OWNERS

- 18.1. A rate levied on a property shall be paid by the owner of that property.
- 18.2. Where a property is owned jointly the owners shall be jointly and severally liable for the payment of the rates on such property.
- 18.3. In respect of agricultural property that is 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 Agricultural Land Act, 1970, the Municipality shall hold owners jointly and severally liable for all rates

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levied in respect of the property concerned.

- 18.4. Properties owned by the Municipality and occupied by persons other than the Municipality shall be shown separately in the valuation roll and valued at market value.
- 18.5. In respect of a Municipal property where multiple tenancies occur, the entire building shall be valued at market value, and the rates will be based on a pro rata portion of the market value, calculated by lettable area and the rates levied shall be included in the rentals.
- 18.6. Alternatively where bylaw 18.5 is not possible, the lettable areas will be valued as units of the building calculated by the lettable area, and shown separately in the roll and rated separately in addition to the rentals.

19. METHOD AND TIME OF PAYMENT

- 19.1. The Municipality shall recover rates respect of a financial year in twelve equal monthly instalments payable.
- 19.2. Rates shall be paid in each month on or before a date determined by the Municipality.
- 19.3. The final date for the payment of rates, as determined by the Municipality in terms of bylaw 19.2 above, shall not be affected by reason of any objection in terms of section 52, or an appeal in terms of section 55, of the Act.
- 19.4. If the result of any objection or appeal is that the valuation is -
- 19.4.1. unchanged, the Municipality may collect any penalty that may have accrued
 - 19.4.2. adjusted downwards, the Municipality shall only collect such penalties on the rates due on such reduced valuation and any over-payment that may have been made shall be refunded
- 19.5. Any adjustments or additions made to a valuation roll in terms of section 51 c, 52 (3), or 69 of the Act, take effect on the effective date of the valuation
- 19.6. If an adjustment in the valuation of a property affects the amount due for rates payable on that property, the Municipal Manager must-
- (a) Calculate-
 - (i) The amount actually paid on the property; and
 - (ii) The amount payable in terms of the adjustment on the property since the effective date; and
 - (b) Recover from or repay to, the person liable for the payment of the rate the difference determined in paragraph a, plus interest at a prescribed rate roll.
- 19.7. When an addition has been made to a valuation roll as envisaged above the Municipal Manager must recover from the person liable for the payment of the rate the amount due for rates payable plus interest and a prescribed rate.

20. ACCOUNTS TO BE FURNISHED

- 20.1. The Municipality shall furnish each person liable for payment of a rate with a written account which shall contain the following information -
- 20.1.1. the amount due for rates payable;
 - 20.1.2. the date on or before which the amount is payable;
 - 20.1.3. how the amount was calculated;
 - 20.1.4. the market value of the property;
 - 20.1.5. if the property is subject to any compulsory phasing-in discount in terms of section 21 of the Act, the amount of the discount;
 - 20.1.6. if the property is subject to any additional rate in terms of section 22 of the Act, the amount due for additional rates.
- 20.2. A person is liable for payment of a rate whether or not that person has received a written account in terms of bylaw 20.1. If a person has not received a written account, that person must make the necessary enquiries from the municipality.
- 20.3. The furnishing of accounts for rates in terms of this section is subject to section 102 of the Municipal Systems Act.

- 20.4. Any person liable for the payment of a rate in respect of rateable property shall notify the municipality of any address within the Republic to which notices in respect of such property shall be sent.
- 20.5. Any notice which the municipality is required to give in terms of section 20.1 of these bylaws shall be deemed to have been properly given -
- 20.5.1. if it has been sent by pre-paid post -
 - 20.5.1.1. to an address notified in terms of subsection 20.4 of these bylaws;
 - 20.5.1.2. if bylaw 20.5.1.1 does not apply and the property is not vacant land, to the address of the property shown in the valuation roll; or
 - 20.5.1.3. to an address which appears to be the residential or business address of the person liable for the payment of the rate, according to the records of the municipality, which method of posting shall be utilized if subparagraphs 20.5.1.1 and 20.5.1.2 of these bylaws do not apply or if any notice posted in terms of the said subparagraphs has been returned as undelivered;
 - 20.5.2. if it has in fact come to the notice of the person to whom it is required to be given;
 - 20.5.3. if bylaws 20.5.1. and 20.5.2. of these bylaws do not apply, by fixing on the notice board of the municipality for a period of at least thirty days, a schedule containing the name of the person who is liable for the payment of the rate as shown in the valuation roll and the particulars required by section 28(1) of the Act;
- 20.6. Where a property in respect of which a rate is payable, is owned by more than one person and either or both of whom are liable for the payment of a rate on such property, the notices required to be given in terms of this section shall be deemed to have been properly given if posted or delivered to the address of one of such persons; provided that such persons may agree amongst themselves to which address such notices shall be posted or delivered and may notify the municipality accordingly in the manner provided for in bylaw 21.3.
- 20.7. Any person who is liable for payment of a rate but who has not received an account shall not be absolved from paying the amount owing by due date and any amount outstanding after such date shall attract penalty charges as provided for in the rates policy;
- 20.7.1. If any person who is liable for payment of a rate does not receive an account, such person shall obtain a copy of such account from the offices of the Municipality, before the due date for payment of the account.
 - 20.7.2. If any person who is liable for the payment of a rate shall notify the Municipality of any change of address including any e-mail address or other contact details;
 - 20.7.3. A change of address referred to in bylaw 20.7.2. above shall take effect on receipt thereof by the Municipality;
 - 20.7.4. If any person who is liable for the payment of a rate does not receive an account as a result of such person's failure to notify the municipality of a change of address, such person shall nevertheless be required to pay the amount owing by due date.

21. RECOVERY OF ARREAR RATES

- 21.1. The Municipality shall take all necessary measures to recover all rates due and payable to the municipality as provided for in the Local Government: Municipal Finance Management Act, 56 of 2003 and the Local Government: Municipal Systems Act, 32 of 2000.
- 21.2. A letter of demand shall be sent to the owner if the account is 60 days or more in arrears.
- 21.3. The municipality shall terminate the services to the property if the owner fails to respond to the letter of demand, regardless of whether the owner is the occupier on the property.
- 21.4. The municipality may publish in a local newspaper, a list of all rates defaulters, who have failed to pay within 60 days after the final instalment of the rates assessment, calling on the ratepayer to settle the arrears within a specified time frame, failing which, Council's credit control and debt collection procedures will be followed and an application will be made to a court of competent jurisdiction for an order for the sale of the property by public auction.
- 21.5. If the rates remain unpaid in terms of bylaw 21.4 above, the municipality may make application to a court of competent jurisdiction showing the amount of rates, penalties and surcharges then in arrear, and that all notices have been given and requesting the court to order any such rateable property be sold by public auction and the proceeds thereof to be paid in to court, and to direct payment to the Municipality of all rates and penalties accrued in respect of the date of such sale together with the costs of obtaining the said order.

- 21.6. If before the sale of any rateable property in terms of an order made under bylaw 21.5 there is produced to the Deputy Sheriff or other person charged with the sale thereof, a certificate by the Municipality that all amounts owing in terms of outstanding and arrear rates and penalty charges have been paid, the said property shall be withdrawn from the sale.
- 21.7. Notwithstanding that all outstanding and arrear rates penalty charges may have been paid before the said sale, the Municipality shall not be liable to any person for any loss or damage suffered by such person by reason of the sale of any such property in respect of which no such certificate has been produced to the said Deputy Sheriff or other person.

22. INTEREST AND COLLECTION CHARGES

- 22.1. Interest will be charged on all rates arrears in terms of the Municipal Finance Management Act and the Municipal Systems Act as prescribed in terms of the Municipal Finance Management Act, 56 of 2003.
- 22.2. In addition to interest charged in respect of any property, collection charges shall accrue as follows:
- 22.2.1. As from the last working day referred to in bylaw 19.2, an amount representing ten per cent (10%) of the capital amount of the rates then in arrears;
- 22.2.2. On the granting of a court order in terms of bylaw 21.5 of these bylaws, a further amount representing ten per cent (10%) of the capital amount of the rates then in arrears.
- 22.3. The said charges shall be payable to the Municipality and the said amounts or such of them as may be applicable may be recovered by it in any proceedings for the recovery of rates.

23. RESTRAINT ON THE TRANSFER OF PROPERTY AND REVENUE CLEARANCE CERTIFICATES

- 23.1. Section 118 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) provides as follows:

"118(1) A registrar of deeds may not register the transfer of property except on production of a prescribed certificate-

- (a) *issued by the municipality or municipalities in which that property is situated; and*
- (b) *which certifies that all amounts that became due in connection with that property for municipal service fees, surcharges on fees, property rates and other municipal taxes, levies and duties during the two years preceding the date of application for the certificate have been fully paid.*

(1A) *A prescribed certificate issued by a municipality in terms of subsection (1) is valid for a period of 60 days from the date it has been issued.*

(2) *In the case of the transfer of property by a trustee of an insolvent estate, the provisions of this section are subject to section 89 of the Insolvency Act, 1936 (Act No. 24 of 1936).*

(3) *An amount due for municipal services, surcharges on fees, property rates and other municipal taxes, levies and duties is a charge upon the property in connection with which the amount is owing and enjoys preference over any mortgage bond registered against the property.*

(4) *Subsection (1) does not apply to -*

(a) *a transfer from the national government, a provincial government or a municipality of a residential property which was financed with funds or loans made available by the national government, a provincial government or a municipality; and*

(b) *the vesting of ownership as a result of a conversion of land tenure rights into ownership in terms of Chapter 1 of the Upgrading of Land Tenure Rights Act, 1991 (Act No. 112 of 1991);*

Provided that nothing in this subsection precludes the subsequent collection by a municipality of any amounts owed to it in respect of such a property at the time of such transfer or conversion.

(5) *Subsection (3) does not apply to any amount referred to in that subsection that became due before a transfer of a residential property or a conversion of land tenure rights into ownership contemplated in subsection (4) took place."*

- 23.2. The provisions of section 118 of the Systems Act shall be strictly adhered to at all times.
- 23.3. Only applications completed in full on the prescribed form, and accompanied by the prescribed fee as recorded in the tariff register will be processed.

- 23.4. Where the monthly consumption of services to a property has been estimated for a period of more than 60 days and a clearance certificate is required in terms of section 118 of the Systems Act, the owner, shall supply readings of the relevant meters as required by the Municipality so as to ensure that all amounts due in terms of section 118 are paid.
- 23.5. Where any amendments to the value or use on the property are awaiting adjustments in an open supplementary roll any rates due must be paid for clearance purposes in terms of the defective dates prescribed in section 78 of the Rates Act

24. SUPPLEMENTARY VALUATIONS AND INTERIM RATES ADJUSTMENTS

- 24.1. In terms of Section 78 of the Act;
- (1) *A municipality must, whenever necessary, cause a supplementary valuation to be made in respect of any rateable property-*
- (a) *incorrectly omitted from the valuation roll;*
 - (b) *included in a municipality after the last general valuation;*
 - (c) *subdivided or consolidated after the last general valuation;*
 - (d) *of which the market value has substantially increased or decreased for any reason after the last general valuation;*
 - (e) *substantially incorrectly valued during the last general valuation;*
 - (f) *that must be revalued for any other exceptional reason or*
 - (g) *of which the category has changed.*
- (2) *For the purposes of subsection (1), the provisions of Part 2 of Chapter 4 and, Chapters 5, 6 and 7, read with the necessary changes as the context may require, are applicable, except that-*
- (a) *a municipal valuer who prepared the valuation roll may be designated for the preparation and completion of the supplementary valuation roll; and*
 - (b) *the supplementary valuation roll takes effect on the first day of the month following the completion of the public inspection period required for the supplementary valuation roll in terms of section 49 (as read with this section), and remains valid for the duration of the municipality's current valuation roll.*
- (3) *Supplementary valuations must reflect the market value of properties determined in accordance with-*
- (a) *market conditions that applied as at the date of valuation determined for purposes of the municipality's last general valuation; and*
 - (b) *any other applicable provisions of this Act.*
- (4) *Rates on a property based on the valuation of that property in a supplementary valuation roll become payable with effect from -*
- (a) *the effective date of the supplementary roll, in the case of a property referred to in subsection (1) (a), (e) or (f);*
 - (b) *the date on which the property was included in the municipality, in the case of a property referred to in subsection (1) (h);*
 - (c) *the date on which the subdivision or consolidation of the property was registered in the Deeds Office, in the case of a property referred to in subsection (1)(c);*
 - (d) *the date on which the event referred to in subsection (1)(d) has occurred or*
 - (e) *the date on which the change of category referred to in subsection (1)(g) occurred.*

25. ENFORCEMENT OF OTHER LEGISLATION

In addition to the provisions contained in these by-laws relating thereto, the Council may enforce any other rights or exercise any power conferred upon it by the Municipal Systems Act, 2000 (No. 32 of 2000), the Property Rates Act, 2004 (Act No. 6 of 2004) and the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) and any other applicable legislation.

26. REPEAL OF PREVIOUS BYLAWS

- 26.1. The Rates Bylaws published under Notice No. 97 on 25 June 2009 are hereby repealed.

27. APPLICATION OF THE MUNICIPAL PROPERTY RATES ACT 6 OF 2004 AND THE MUNICIPAL PROPERTY RATES AMENDMENT ACT 29 OF 2014

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- 27.1. Nothing herein shall be interpreted to detract from the provisions of the Municipal Property Rates Act, 6 of 2004, and any amendments thereto.
- 27.2. The Municipality shall, with effect from 1 July 2015 comply with and apply the provisions of the Municipal Property Rates Amendment Act, 29 of 2014, which, among others, include the provisions referred to in bylaws 27.3 - bylaw 27.6.
- 27.3. Sections 17 to 20 of the Municipal Property Rates Act, 6 of 2004, will read as follows with effect from 1 July 2015:

17. Other impermissible rates (1) A municipality may not levy a rate-

- (a) *subject to paragraph (aA) on the first 30% of the market value of public service infrastructure;*
- (aA) *on any property referred to in paragraphs (a), (b), (e), (g) and (h) of the definition of "public service infrastructure;*
- (b) *on any part of the seashore as defined in the National Environmental Management: Integrated Coastal Management Act, 2007 (Act No. 24 of 2008);*
- (c) *on any part of the territorial waters of the Republic as determined in terms of the Maritime Zones Act, 1994 (Act No. 15 of 1994);*
- (d) *on any islands of which the state is the owner, including the Prince Edward Islands referred to in the Prince Edward Islands Act, 1948 (Act No. 43 of 1948);*
- (e) *on those parts of a special nature reserve, national park or nature reserve within the meaning of the National Environmental Management: Protected Areas Act, 2003 (Act No. 57 of 2003), or of a national botanical garden within the meaning of the National Environmental Biodiversity Act, 2004 (Act No. 10 of 2004), which are not developed or used for commercial, business, agricultural or residential purposes;*
- (f) *on mining rights or a mining permit within the meaning of the Mineral and Petroleum Resources Development Act, 2002 (Act No. 28 of 2002), excluding any building, other immovable structures and infrastructure above the surface of the mining property required for purposes of mining;*
- (g) *on a property belonging to a land reform beneficiary or his or her heirs, dependants or spouse provided that this exclusion lapses-*
- (i) *10 years from the date on which such beneficiary's title was registered in the office of the Registrar of Deeds; or*
- (ii) *upon alienation of the property by the land reform beneficiary or his or her heirs, dependants or spouse;*
- (h) *on the first R15 000 of the market value of a property assigned in the valuation roll or supplementary valuation roll of a municipality to a category determined by the municipality-*
- (i) *for residential properties; or*
- (ii) *for properties used for multiple purposes, provided one or more components of the property are used for residential purposes; or*
- (i) *on a property 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.*
- (1A) *The exclusion from rates of a property referred to in subsection (1) (b) lapses-*
- (a) *if the property is alienated or let: or*
- (b) *if the exclusion from rates of a property lapses in terms of paragraph (a), if the new owner or lessee becomes liable to the municipality concerned for the rates that, had it not been for subsection (1)(b), would have been payable on the property, notwithstanding section 78, with effect from the date of alienation or lease.";*
- (2) (a) *The exclusion from rates of a property referred to in subsection (1)(e) lapses if the declaration of that property as a special nature reserve, national park, nature reserve or national botanical garden, or as part of such a reserve, park or botanical garden, is withdrawn in terms of the applicable Act mentioned in that subsection.*
- (b) (i) *If the property in respect of which the declaration is withdrawn is*

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privately owned, the owner, upon withdrawal of the declaration, becomes liable to the municipality concerned for any rates that, had it not been for subsection (1)(e), would have been payable on the property, notwithstanding section 78, during the period commencing from the effective date of the current valuation roll of the municipality;

- (ii) *If the property was declared as a protected area after the effective date of the current valuation roll, rates are payable only from the date of declaration of the property.*
- (c) *The amount for which an owner becomes liable in terms of paragraph (b) must be regarded as rates in arrears, and the applicable interest on that amount is payable to the municipality.*
- (d) *Paragraphs (b) and (c) apply only if the declaration of the property was withdrawn because of-*
 - (i) *a decision by the private owner for any reason to withdraw from the agreement concluded between the private owner and the state in terms of the Protected Areas Act, and in terms of which the private owner initially consented to the property being declared as a protected area; or*
 - (ii) *a decision by the state to withdraw from such agreement because of a breach of the agreement by the private owner*
- (3) *The Minister, acting with the concurrence of the Minister of Finance, may from time to time by notice in the Gazette, increase the monetary threshold referred to in subsection (1)(h) to reflect inflation.*
- (4) *The Minister may, by notice in the Gazette, lower the percentage referred to in subsection (1) (a), but only after consultation with-*
 - (a) *relevant Cabinet members responsible for the various aspects of public service infrastructure;*
 - (b) *organised local government; and*
 - (c) *relevant public service infrastructure entities.*
- (5) (a) *The exclusion from rates of a property referred to in subsection (1) (i) lapses if the property-*
 - (i) *is disposed of by the religious community owning it; or*
 - (ii) *is no longer used primarily as a place of public worship by a religious community or, in the case of an official residence contemplated in that subsection, is no longer used as such an official residence.*
- (b) *If the exclusion from rates of a property used as such an official residence lapses, the religious community owning the property becomes liable to the municipality concerned for any rates that, had it not been for subsection (1) (i), would have been payable on the property, notwithstanding section 78, during the period of one year preceding the date on which the exclusion lapsed.*
- (c) *The amount for which the religious community becomes liable in terms of paragraph (b) must be regarded as rates in arrears, and the applicable interest on that amount is payable to the municipality.*

18. Exemption of municipalities from provisions of section 17

- (1) *A municipality may apply, in writing, to the Minister to be exempted from paragraph (a), (e), (g) or (h) of section 17(1) if it can demonstrate that an exclusion in terms of the relevant paragraph is compromising or impeding its ability or right to exercise its powers or to perform its functions within the meaning of section 151(4) of the Constitution.*
- (2) *Any exemption granted by the Minister in terms of subsection (1)-*
 - (a) *must be in writing; and*
 - (b) *is subject to such limitations and conditions as the Minister may determine.*

19. Impermissible differentiation

- (1) *A municipality may not levy-*

- (a) *different rates on residential properties, except as provided for in sections 11(2), 21 and 89A: Provided that this paragraph does not apply to residential property which is vacant;*
 - (b) *a rate on a category of non-residential properties that exceeds a prescribed ratio to the rate on residential properties determined in terms of section 11(1) (a): Provided that different ratios may be set in respect of different categories of non-residential properties;*
 - (c) *rates which unreasonably discriminate between categories of non-residential properties; or*
 - (d) *additional rates except as provided for in section 22.*
- (2) *The ratio referred to in subsection (1) (b) may be subject to prescribed norms and standards, and may only be prescribed with the concurrence of the Minister of Finance.*

20. Limits on annual increases of rates

- (1) *The Minister may, with the concurrence of the Minister of Finance and by notice in the Gazette, set an upper limit on the percentage by which-*
- (a) *rates on property categories or a rate on a specific category of properties may be increased; or*
 - (b) *the total revenue derived from rates on all property categories or a rate on a specific category of properties may be increased.*
- (2) *Different limits may be set in terms of subsection (1) for-*
- (a) *different kinds of municipalities which may, for the purposes of this section, be defined in the notice either in relation to categories types, or budgetary size of municipalities or in any other way; or (b) different categories of properties, subject to section 19.*
- (2A) *The Minister may, with the concurrence of the Minister of Finance, and by the notice referred to in subsection (1), delay the implementation of a limit, for a period determined in that notice and in respect of the different kinds of municipalities defined in terms of subsection (2)(a).*
- (3) *The Minister may, on written application by a municipality, and on good cause, exempt a municipality from a limit set in terms of subsection (1).*
- (4) *This section must be read with section 43 of the Municipal Finance Management Act.*

27.4. Section 25 of the Municipal Property Rates Amendment Act, 29 of 2014 reads as follows:

Payment of rates on property in sectional title schemes

- (1) *A rate levied by a municipality on a sectional title unit is payable by the owner of the unit or the holder of a right contemplated in section 25 or 27 of the Sectional Titles Act.*
- (2) *A municipality may not recover the rate on a sectional title unit, or on a right contemplated in section 25 or 27 of the Sectional Titles Act registered against the sectional title unit, or any part of such rate, from the body corporate controlling a sectional title scheme, except when the body corporate is the owner of any specific sectional title unit, or the holder of such right.*
- (3) *A body corporate controlling a sectional title scheme may not apportion and collect rates from the owners of the sectional title units in the scheme.*
- (4) *This section must be read subject to section 92.*

27.5. Section 26 of the Municipal Property Rates Amendment Act, 29 of 2014 reads as follows:

- (1) *A municipality must, whenever necessary, cause a supplementary valuation to be made in respect of any rateable property-*
- (a) *incorrectly omitted from the valuation roll;*
 - (b) *included in a municipality after the last general valuation;*
 - (c) *subdivided or consolidated after the last general valuation;*
 - (d) *of which the market value has substantially increased or decreased for any reason after the last general valuation;*
 - (e) *substantially incorrectly valued during the last general valuation;*

- (f) *that must be revalued for any other exceptional reason;*
 - (g) *of which the category has changed; or*
 - (h) *the value of which was incorrectly recorded in the valuation roll as a result of a clerical or typing error.*
- (2) *For the purposes of subsection (1), the provisions of Part 2 of Chapter 4 and, Chapters 5, 6, 7, read with the necessary changes as the context may require, are applicable, except that-*
- (a) *a municipal valuer who prepared the valuation roll may be designated for the preparation and completion of the supplementary valuation roll; and*
 - (b) *the supplementary valuation remains valid for the duration of the municipality's current valuation roll.*
- (3) *Supplementary valuations must reflect the market value of properties determined in accordance with-*
- (a) *market conditions that applied as at the date of valuation determined for purposes of the municipality's last general valuation; and*
 - (b) *any other applicable provisions of this Act.*
- (4) *Rates on a property based on the valuation of that property in a supplementary valuation become payable with effect from -*
- (a) *the first day of the month following the posting of the notice contemplated in subsection (5) in the case of a property referred to in subsection (1) (a) or (f);*
 - (aA) *the first day of the month following the posting of the notice contemplated in subsection (5) in the case of property referred to in subsection 1 (a), (e), (f) or (h): Provided that in the case of a decrease in value in respect of a property referred to in subsection 1(e), the rates become payable on the date the property was incorrectly valued or the clerical or typing error was made;*
 - (b) *the date on which the property was included in the municipality, in the case of a property referred to in subsection (1) (b);*
 - (c) *the date on which the subdivision or consolidation of the property was registered in the Deeds Office, in the case of a property referred to in subsection (1) (c);*
 - (d) *the date on which the event referred to in subsection (1) (d) has occurred;*
 - (e) *the date on which the change of category referred to in subsection (1) (g) occurred.*
- (5) (a) *A municipal valuer must on completion of the supplementary valuation contemplated in subsection (1) (a) to (g), and following a correction contemplated in subsection 1(h), serve the results of the supplementary valuations or corrections contemplated in subsections (1)(g) and (h), by ordinary mail, or if appropriate, in accordance with section 115 of the Municipal Systems Act, on every owner of property who has been affected by a supplementary valuation contemplated in subsection (1)(a) to (g) and a correction contemplated in subsection (1)(h), a notice reflecting the supplementary valuation or correction of the property, as well as the particulars listed in section 48(2);*
- (b) *The notice referred to in paragraph (a) must inform the property owner that he or she may lodge a request for review with the municipal manager in writing, within 30 days after the posting of the notice in respect of any matter reflected in the supplementary valuation;*
 - (c) *The municipal valuer may adjust the valuation on consideration of the request for review contemplated in paragraph (b).*
- (6) *The municipality must, at least once a year, compile and publish a supplementary valuation roll of all properties on which a supplementary valuation, as contemplated in subsection (1) was made, including review decisions referred to in subsection (5)(b), and make it public and available for inspection in the manner provided for in section 49.*

27.6. Section 35 of the Municipal Property Rates Amendment Act, 29 of 2014 reads as follows:

- (1) *The prohibition on the levying of rates on public service infrastructure referred in section 17 (1) (aA) must be phased in over a period of five municipal financial years, with effect from the date of commencement of this Act.*
- (2) *The rates levied on property referred to in subsection (1) must-*

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- (a) *in the first year, be no more than 80 per cent of the rate for that year otherwise applicable to that property;*
- (b) *in the second year, be no more than 60 per cent of the rate for that year otherwise applicable to that property;*
- (c) *in the third year, be no more than 40 per cent of the rate for that year otherwise applicable to that property;*
- (d) *in the fourth year be no more than 20 percent of the rate for that year otherwise applicable to that property; and*
- (e) *in the fifth year, be no more than 10 percent of the rate for that year otherwise applicable to that property.*