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MOSSEL BAY MUNICIPALITY
AMENDMENTS TO THE CUSTOMER CARE, CREDIT CONTROL, DEBT COLLECTION,
INDIGENT AND TAMPERING POLICY

Whereas section 98 of the Local Government: Municipal Systems Act, 2000 (Act No.32 of 2000) provides that a municipal council must adopt a Customer Care, Credit Control, Debt Collection, Indigent and Tampering Policy and By-laws to give effect to that policy, and its implementation and enforcement;

And whereas the Mossel Bay Municipality has published its revised Policy in the Provincial Gazette, 7313, dated 03 October 2014 for general information;

And whereas the Council of the Mossel Bay Municipality has published its amendments to the Policy in the Provincial Gazette, 7460, dated 31 July 2015 for general information;

And whereas the Council of the Mossel Bay Municipality has adopted the following amendments to the Policy on 30 May 2016, Resolution E96-05/2016;

Now therefore the amendments to the Policy is hereby published in English for general information. The revised Customer Care, Credit Control, Debt Collection, Indigent and Tampering Policy will be made available upon request in Afrikaans and Xhosa. In the event of an inconsistency between the English, Afrikaans or Xhosa text, the English text shall prevail.

Aldus die wysigings tot die Beleid hiermee gepubliseer word in Engels vir algemene inligting. Die gewysigde Klientediens, Kredietbeheer, Skuldinvordering, Deernis en Peuterbeleid sal op aanvraag in Afrikaans en Xhosa beskikbaar gestel word. In die geval van 'n teenstrydigheid tussen die Engels, Afrikaans en Xhosa sal die Engelse teks aanvaar word.

Izihlomelo ezenziwe kwimigaqo elawula indlela yokuphatha abantu, nowesibonelelo sabantu abangathintweni, nowokulawulwa kwatyala, nowokuqokelelwa kwamatyala ipapashwa ngolwimi lwesiNgesi elubala. Xa ubani efuna inguqulelo yesiBhulu okanye eyesi Xhosa angayifumana ngokwenza isicelo eso. Ukuba kuthe kwakho imbhambhano kwezilwimi xa kutolikwa lemigaqo, ulwimi lwesiNgesi luyakulandelwa.

Insertions are indicated in **bold** and underlined

Deletions are indicated in [brackets]

Amendment of Section 5

1. Section 5 is hereby amended –

(a) By the amendment of the definition of **Indigent household** as follows:

“Indigent household” means a household **that complies with** [qualifying as indigent on] the following conditions;

(a) the total municipal valuation, determined in terms of the Municipal Property Rates Acts, of a permanently occupied residential property, which does not exceed an amount as determined by Council, will automatically qualify as an indigent household; or

[a] **(b) a household with a** total monthly [household] income **of** [must] not [be] more than twice (2 **times** [x]) the monthly Government old age pension; [and]

[b] [the average electricity consumption (calculated over the past four months) must not exceed 400kwh per month; and]

[c] [the average water consumption for the past four months must not exceed 15kl water per month]

(b) By the amendment of the definition of **“Owner”** as follows:

“Owner” refer to the Rates Policy

[(a) the person in whose name the property is legally vested;

- (b) in the case where the person in whose name the property is vested, is insolvent or deceased, or is disqualified in terms of any legal action, the person who is responsible for administration or control of the property as curator, trustee, executor, administrator, legal manager, liquidator, usufructuarius, servitude holder or any other legal representative;
- (c) in the case where the Council is unable to establish the identity of such person, the person who is entitled to derive benefit from the property or any buildings thereon;
- (d) in the case of a lease agreement in excess of 30 years was entered into, then the lessee;
- (e) regarding:
 - i. a portion of land allotted on a sectional title plan and which is registered in terms of the Sectional Title Act, (Act No. 95 of 1986), without limiting it to the developer or managing body to the communal property;
 - ii. a portion as defined in the Sectional Title Act, the person in whose name that portion is registered in terms of a sectional title, including the legally appointed representative of such person.
- (f) any legal entity including but not limited to;
 - i. a company registered in terms of the Companies Act, (Act No.61 of 1973), a trust inter vivos, trust mortis causa, a closed corporation registered in terms of the Close Corporation Act, (Act No. 69 of 1984), and any voluntary organization;
 - ii. any provincial or national government department, local Municipality;
 - iii. any Council or management body established in terms of any legal framework applicable to the Republic of South Africa; and
 - iv. any embassy or other foreign entity.
- (g) in respect of a property owned by a Council and which has been disposed of, but which has not been transferred to the person to whom it has been disposed of, from the date of the disposition concerned, such person; and
- (h) in respect of a property owned by or under the control or management of a Council while held under a lease or any express or tacit extension thereof or under any other contract or under servitude or right analogous thereto, the person so holding the immovable property;]
- (c) By the amendment of the definition of “**Poor households**” as follows:

“**Poor households**” means a household which qualifies as a poor household on the following conditions:

 - (a) the total monthly household income must be more than twice (2x) the monthly Government old age pension and less than the amount determined by Council during approval of the annual budget; [and]
 - [b] [the average electricity consumption for the past four months must not exceed 400kwh per month; and]
 - [c] [the average water consumption for the past four months must not exceed 15kl water per month]

Amendment of Section 7

2. Section 7 is hereby amended-

- (a) By the amendment of subsection 7.22 as follows:

c **properties were automatically changed to indigent, due to the valuation being less than an amount, pre-determined by Council, the account will remain on the name of the owner and no tenant account can be opened.**

(a) and (b) will only be applicable [The above will however only be allowed] for the first tenant application and not for any subsequent service applications.

Amendment of Section 8

3. Section 8 is hereby amended –

- (a) By the amendment of subsection 8.4 as follows:
- (k) Any inactive deposit that is correctly recognised in the financial statements as payable and has not been claimed back within a period of three years after the service has been delivered completed or finalised, will be forfeited.
- i **The only exception to this is when a block booking has been made and the deposit is carried over for the next booking. This is only applicable within a financial year. The deposit must be repaid and revised at the beginning of a new financial year.**
- ii **A request for repayment of an inactive deposit after the three year period can be made after which the CFO will consider each case on its own merit.**
- (m) **Payment of a deposit is not applicable to properties where the property has been identified as an Indigent household, due to the valuation of the property being less than the amount as determined by Council.**
- (b) By the amendment of subsection 8.14(c) as follows:
- (c) installation of pre-paid meter is free of charge for indigent and subsidised households, **however this is not applicable for more than one meter per property.**

(c) By the amendment of subsection 8.19 as follows:

8.19 Persons and Businesses Who Tender To the Municipality

The Procurement Policy and Tender Conditions of the Municipality will include the following:

Reject any bid from a bidder if any Municipal rates and taxes or Municipal service charges owned by that bidder or any of its directors to the Municipality, or to any other Municipality or Municipal entity, are in arrears for more than three months. [except if an arrangement has been made in terms of the Municipality's Credit Control Policy. This arrangement must already be in place on or before the date and time the bid is advertised.]

Amendment of Section 10

4. Section 10 is hereby amended-

- (a) By the amendment of subsection 10.2 as follows:
- (b) All applicants **except households qualifying for an indigent subsidy, due to the valuation of the property being less than the amount determined by Council,** must complete an official application form, which is to be submitted together with the supporting documents as specified in this Policy;
- (b) By the amendment of subsection 10.3 as follows and the renumbering of subsequent subsections:
- (a) For an indigent subsidy the verified gross monthly income of all occupants over 18 years of age may not exceed the sum of two times the amount of state funded social pension and for a Poor household subsidy may not exceed the amount predetermined by Council;
or
- (b) **The valuation of the property must not exceed the amount, as determined by Council, in order to automatically qualify for an Indigent household; and**
- [(b)] [The average monthly consumption of electricity by the household over the previous four months may not exceed 400kWh;]
- [(c)] [Where a backyard dweller is registered on the property of an indigent household and is dependent on the main house for electricity, the maximum number of electricity units, for the indigent household will increase to 650kWh per month;]
- [(d)] [The average monthly consumption of water by the household over the previous four months may not exceed 15kl;]
- [(e)] [Must be a permanent occupier of the applicable property;]

- (c) By the amendment of subsection 10.6 as follows and the renumbering of subsequent subsections:
- [(d)] [In order to assist the subsidised households, who uses more than the qualifying amount of water and electricity, not to lose their subsidy, these services may be restricted to allow only the use of maximum 15kl water and 400kWh electricity;]

Amendment of Section 11

5. Section 11 is hereby amended-

- (a) By the amendment of Subsection 11.2 as follows:

[11.2(a)(ii) Consumption. If a consumer has consumption of an average of more than 400kWh electricity or 15kl of water taken over a period of 4 months, this consumption indicates the ability of the person to pay or to make an arrangement.]

Amendment of Section 15

6. Section 15 is hereby amended-

- (a) By the amendment of Section 15 as follows.

15 This policy will come into effect on **1 July 2016**

MR. H HILL, ACTING MUNICIPAL MANAGER

MOSSEL BAY MUNICIPALITY
PROMULGATION OF PROPERTY RATES FOR THE 2016/2017 FINANCIAL YEAR

Notice is herewith given in terms of section 14(2) of the Local Government: Municipal Property Rates Act (Act 6 of 2004) that the Municipal Council on 30 May 2016 (Resolution E 96/05-2016) adopted the following tariffs in respect of property rates:

All Areas

Industrial,	R0.006178
Business and Commercial (Including accommodation establishments and farm businesses).	R0.006178
• Accommodation establishments	30% discount
• Farm Business	30% discount
Public Service Infrastructure property	R0.000772
Residential (Including Flats and Group Housing but excluding Accommodation establishments)	R0.003088
• Vleesbaai	85% discount
Agricultural (Excluding land used for business or accommodation purposes)	R0.000772
Public Benefit Organisations	R0.000772
Vacant Land:	
• Business	R0.006178
• Residential	R0.003088
Public Service Properties (State owned properties)	R0.000772

Special Rating Area Mossel Bay Central Improvement District:

Commercial Property	R0.001194
Residential Property	R0.000295
(Please note that the tariff for the special rating areas are inclusive of VAT)	
Municipal Property	100% rebate
Churches	100% Exempted
Parsonages	100% Exempted
Protected areas	100% Exempted

The first R50 000 of the valuation of Residential properties are exempted from the levying of rates.

Discount to Pensioners

Pensioners qualify for the under mentioned discounts of property rates if they comply with the following conditions:

- a) Occupy the property as his/her Primary Residence, and
- b) Be at least 60 years of age
- c) Has been declared medical unfit even if not yet 60 years of age, and
- d) Be in receipt of a gross household income not exceeding the amount determined by Council during the Municipality's budget process.

Discount to Pensioners

- a) Total gross income of husband and wife may not exceed R18 300 per month (R219 600 per annum) 30% discount
- b) Total income of husband and wife may not exceed R13 750 per month. (R165 000 per annum) 50% discount

All Rates tariffs are ZERO RATED for VAT purposes)

In the event of an inconsistency between the English, Afrikaans or Xhosa text, the English text shall prevail.

MOSELBAAI MUNISIPALITEIT**PROMULGERING VAN EIENDOMSBELASTING VIR DIE 2016/2017 FINANSIËLE JAAR**

Kennis geskied hiermee ingevolge artikel 14 (2) van die Wet op Plaaslike Regering: Munisipale Eiendomsbelasting (Wet 6 van 2004) dat die Munisipale Raad op 30 Mei 2016 (Raadsbesluit E96/05-2016) die volgende tariewe ten opsigte van eiendomsbelasting aanvaar het:

Alle Gebiede:

Industriële	R0.006178
Besigheid en Kommersieel (Insluitend Akkommodasie Instellings en Landbou besighede	R0.006178
• Akkommodasie Instellings	30% Afslag
• Landbou besighede	30% Afslag
Publieke Diens Infrastruktuur eiendom	R0.000772
Residensiële (insluitend woonstelle en groepsbehuising maar uitsluitend akkommodasie instellings)	R0.003088
• Vleesbaai	85% Afslag
Landbou (uitgesluit grond wat gebruik word vir besigheid of akkommodasie doeleindes)	R0.000772
Publieke Voordeel Organisasies	R0 000772
Vakante grond:	
• Besigheid	R0.006178
• Residensiële	R0.003088
Publieke Diens Eiendomme (Staatseiendomme)	R0.000772

Spesiale Belasting Gebied Mosselbaai Sentrale Verbeteringsdisktrik

Kommersiële Eiendom	R0.001194
Residensiële Eiendom	R0.000295
(Let wel dat die tarief vir spesiale belasting gebiede BTW ingesluit is)	
Munisipale Eiendom	100% Korting
Kerke	100% Vrygestel
Pastoriee	100% Vrygestel
Beskermde Areas	100% Vrygestel

Die eerste R50 000 van die waardasie van residensiële eiendomme is vrygestel van die hef van belastings.

Afslag aan Pensioenarisse

Pensioenarisse kwalifiseer vir die onderstaande afslag vir eiendomsbelasting indien hulle voldoen aan die volgende voorwaardes:

- Die eiendom as sy / haar primêre woning bewoon
- Ten minste 60 jaar oud is
- Medies ongeskik verklaar is selfs al is hy/sy nog nie 60 jaar oud nie, en
- 'n Bruto huishoudelike inkomste het wat nie hoër is as dit wat deur die Raad bepaal is tydens die Munisipaliteit se begrotingsproses.

Afslag aan Pensioenarisse

- Die totale bruto inkomste van die man en vrou mag nie meer as R18 300 per maand (R219 600 per jaar) wees nie 30% afslag
- Die totale inkomste van die man en vrou mag nie meer as R13 750 per maand (R165 000 per jaar) wees nie 50% afslag

Alle tariewe is NUL gereken vir BTW-doeleindes

In die geval van 'n teenstrydigheid tussen die Engels, Afrikaans en Xhosa sal die Engelse teks aanvaar word.

UMASIPALA WASEMOSSEL BHAYI

UKUBHENGEZWA KWAMAXABISO EENDAWO KUNYAKA-MALI KA 2016/2017

Esi sisaziso esikhutshwa ngokweCandelo 14(2) loMthetho woRhulumente baseMakhaya: uMthetho wamaXabiso eeNdawo zikaMasipala (uMthetho 6 ka 2004) ukuba ngomhla wama 30 Meyi 2016, uBhunga likaMasipala (phantsi kweSigqibo E 96/05-2016) lamkele la maxabiso alandelayo eendawo:

Zonke iindawo

Ezoshishino	R0.006178
Amashishini kunye noRhwebo (kubandakanya iindawo ezishishina ngokufuya/amafama)	R0.006178
• Iindawo zokuhlalisa abantu	30% isaphulelo
• Ushishino lwamafama	30% isaphulelo
Iindawo zeNkonzo kaRhulumente	R0.000772
Ezokuhlala (kubandakanya iiFleti kunye neZindlu zamaqela kodwa kungabandakanyi iindawo zokuhlalisa abantu)	R0.003088
• Vleesbaai	85% isaphulelo
Ezolimo (ngaphandle komhlaba osetyenziselwa ushishino okanye ukuhlalisa abantu)	R0.000772
Imibutho eXhamla uluntu	R0.000772
Umhlaba oVulekileyo:	
• Ushishino	R0.006178
• Ezokuhlala	R0.003088
Iindawo Zoluntu (ezikaRhulumente)	R0.000772

Iindawo ezimiselwe amaxabiso awodwa kumbindi weDolophu eMossel Bhayi:

Iindawo zoRhwebo	R0.001194
Iindawo zokuhlala	R0.000295
(Nceda uqwalasele ukuba amaxabiso awodwa abandakanya iRhafu)	
Iindawo zikaMasipala	100% imbuyekezo
iiCawa/linkonzo	100% akukho mbuyekezo
iiMishini zabeFundisi	100% akukho mbuyekezo
Iindawo ezikhuselekileyo	100% akukho mbuyekezo

iR50 000 yokuqala kumiselo-xabiso lendawo kwezokuhlala azibandakanywa ekuhlawuleni imirhumo.

Isaphulelo kwabeNdodla :

Abarhola indodla kwezi zaphulelo zichazwe ngezantsi xa bezalisekisa le miqathango ilandelayo:

- a) Bahlala kwezi ndawo njengeendawo zabo ezizezokuqala,
- b) Babe neminyaka engama-60 ubuncinane
- c) Ukuba uchazwe njengokhubazekileyo xa engaphantsi kwe-60 leminyaka,
- d) Babe bafumana umvuzo oyingeniso engadlulanga kulowo umiselwe liBhunga ngexesha lohlahlo-lwabiwo-mali.

Isaphulelo kwabeNdodla

- a) Ingeniso iyonke yomyeni kunye nenkosikazi akufuneki idlule kwiR18 300 ngenyanga (R219 600 ngonyaka), 30% isaphulelo
- b) Ingeniso iyonke yomyeni kunye nenkosikazi mayingadluli kwiR13 750 ngenyanga, (R165 000 ngonyaka) 50% isaphulelo

Onke amaXabiso amiselwe ku-0 ngenxa yeRhafu yentengo

Ukuba kuthe kwakho imbambhano kwezilwimi xa kutolikwa lemigaqo, ulwimi lwesiNgesi luyakulandelwa.

MOSSEL BAY MUNICIPALITY
PROPERTY RATES POLICY

Whereas Chapter 2 of the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004) provides that a municipal council must adopt a Property Rates Policy and By-Laws to give effect to that policy, and its implementation and enforcement;

And whereas the Council of Mossel Bay Municipality has adopted a revised Property Rates Policy on 30 May 2016, Resolution E96-05/2016;

Now therefore the revised Property Rates Policy is hereby published in English for general information. The revised Property Rates Policy will be made available upon request in Afrikaans and Xhosa. In the event of an inconsistency between the English, Afrikaans or Xhosa text, the English text shall prevail.

This Property Rates Policy repeals all previous Property Rates Policies.

Aldus die hersiene beleid hiermee gepubliseer word in Engels vir algemene inligting. Die hersiene Eiendomsbelasting beleid sal op aanvraag beskikbaar gestel word in Afrikaans en Xhosa. In die geval van 'n teenstrydigheid tussen die Engels, Afrikaans of Xhosa teks, sal die Engelse teks geldig wees.

Hierdie Eiendomsbelasting Beleid herroep alle vorige Eiendomsbelasting Beleide.

Kungoko ke loMgaqo-Nqubo weRhafu upapashwa ngesi-Ngesi ukuze lwaziwe gabalala. Lo Mgaqo-Nkqubo weRhafu uyakufumaneka xa ucelwa nge-Afrikans nangesiXhosa. Xa kunokuthi kanti kukho ukungahlangani phakati kwesi-Ngesi, iAfrikaans okanye umbhalo wesiXhosa, umbhalo wesi-Ngesi uyakwakeleka.

Lo uMgaqo-Nkqubo weRhafu ubhangisa yonke eminye imiGaqo-Nkqubo yeRhafu ibikho ngaphambili.

MR H HILL, ACTING MUNICIPAL MANAGER

MOSSEL BAY MUNICIPALITY PROPERTY RATES POLICY

1. BACKGROUND

This Policy is formulated in terms of Section 3 of the Local Government Municipal Property Rates Act, (Act 6 of 2004) which became operative on 2 July 2005. In 2007, Mossel Bay Municipality initiated a process to prepare a General Valuation Roll of all property situated within the geographical boundaries of the Municipality in terms of this Act. A further General Valuation has been completed in 2011 and will be effective as from 1 July 2012.

2. LEGISLATIVE CONTEXT

- 2.1 In terms of Section 229 of the Constitution, a Municipality may impose property rates on property.
- 2.2 In terms of Section 4(1) (c) of the Municipal Systems Act, (Act no.32 of 2000), a Municipality has the right to finance the affairs of the Municipality by imposing, inter alia, property rates on property.
- 2.3 In terms of Section 2(1) of the Municipal Property Rates Act, (Act No. 6 of 2004) a local Municipality may levy a rate on property in its area in accordance with the other provisions of this Act.
- 2.4 This Policy must be read together with, and is subject to the provisions of the Municipal Property Rates Act and the Property Rates By-Law.
- 2.5 In terms of Section 8(1) of the Municipal Property Rates Act, the Municipality is levying property rates on the use of the property as determined on the valuation roll in terms of Section 48 of this Act.
- 2.6 In terms of Section 26 of the Municipal Property Rates Act - Method and time of payment –
 - 1) a Municipality may recover a rate –
 - a) On a monthly basis or less often as may be prescribed in terms of the Municipal Finance Management Act: or
 - b) Annually, as may be agreed to with the owner of the property.
 - 2) a) If a rate is payable in a single amount annually it must be paid on or before a date determined by the Municipality.
 - c) If a rate is payable in instalments it must be paid on or before a date in each period determined by the Municipality.
- 3) Payment of a rate may be deferred but only in special circumstances.
- 2.7 In terms of Section 12 of the Municipal Property Rates Act – Period for which property rates may be levied.

When levying property rates, a Municipality must levy the property rate for a financial year. A property rate lapses at the end of the financial year for which it was levied.

3. DEFINITIONS

In addition to the definitions contained in the Municipal Property Rates Act and the Property Rates By-Law, the following words and phrases bear the meanings assigned to them below:

“Accommodation Establishment” in relation to a property means the supply of overnight facilities to guests and tourists;

“Actual use” means actual activities that are taking place on the property;

“Agricultural Property” means a property that is used primarily for agricultural purposes but, without derogating from section 9 of the Municipal Property Rates Act, (Act 6 of 2004), excludes any portion thereof that is used commercially for the hospitality of guests and excludes the use of the property for the purpose of eco-tourism or for the trading in or hunting of game;

“Annually” means once every financial year;

“Appeal board” means a valuation appeal board established in terms of section 56;

“Category” in relation to:

- Property, means a category of properties determined in terms of Section 8 of the Act, and
- Owners of properties, means a category of owners determined in terms of Section 15(2) of the Act.

“CFO” means the Chief Financial Officer of the Municipality, being a person designated in terms of Section 80(2) (a) of the MFMA, or his/her nominee;

“Date of valuation” means the date determined by a municipality in terms of section 31(1);

“Day” means when any number of days are prescribed for the performance of any act, those days must be reckoned by excluding the first and including the last day, unless the last day falls on a Saturday, Sunday or any public holiday, in which case the number of days must be reckoned by excluding the first day and also any such Saturday, Sunday or public holiday;

“Dominant use” means 60% or more of the use of a property (as determined by the valuer);

“Effective date”-

- In relation to a valuation roll, means the date on which the valuation roll takes effect in terms of section 32 (1); or
- 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);

“Exemption”, in relation to the payment of a rate, means an exemption granted by a municipality in terms of section 15;

“Financial year” means the period starting from 1 July in a year to 30 June the next year.

“Income Tax Act” means the Income Tax Act, 1962 (Act 58 of 1972);

“Gross monthly household income” means the gross monthly income from all sources, including but not limited to salaries, wages, dividends, pensions, grants, rentals, board and lodging, interest received, donations and any other form of financial support or investment income, received by every person residing on the property;

“Homeless people’s shelters” means a bona fide non-profit organisation (NPO) which operates a shelter used primarily for the accommodation of homeless people and which has applied in writing for and been registered as such shelter by Council;

“Interest” means a charge levied on all accounts calculated at a rate of 1% higher than the prime interest rate;

“Local community”, in relation to a municipality-

- Means that body of persons comprising-
 - * The residents of the municipality;
 - * The ratepayers of the municipality;
 - * Any civic organisations and non-governmental, private sector or labour organisations or bodies which are involved in local affairs within the municipality; and
 - * Visitors and other people residing outside the municipality who, because of their presence in the municipality, make use of services or facilities provided by the municipality; and
- Includes, more specifically, the poor and other disadvantaged sections of such body of persons;

“Local municipality” means a municipality that shares municipal executive and legislative authority in its area with a district municipality within whose area it falls, and which is described in section 155(1) of the Constitution as a category B municipality;

“Market value”, in relation to a property, means the value of the property determined in accordance with section 46;

“MEC for local government” means the member of the Executive Council of a province who is responsible for local government in that province;

“MFMA” means the Local Government: Municipal Finance Management Act, (Act No. 56 of 2003);

“Mining Properties” means a property used for mining operations as defined in the Mineral and Petroleum Resources Development Act 2000 (Act No. 28 of 2002);

“MPRA” means the Local Government: Municipal Property Rates Act, (Act no. 6 of 2004);

“MPRA Rate Ratio Regulations” means the Municipal Property Rates Regulations on the Rate Ratio between Residential and Non-Residential Properties promulgated in terms of the MPRA published under Government Notice R195, Government Gazette 32991, on 1 March 2010;

“Multiple purposes” in relation to a property, means the use of a property for more than one purpose, subject to section 9 of the Municipal Property Rates Act (Act No. 6 of 2004);

“Municipal council” or **“council”** means a municipal council referred to in section 18 of the Municipal Structures Act;

“Municipality” means the Mossel Bay Municipality;

“Municipal manager” means a person appointed in terms of section 82 of the Municipal Structures Act;

“Municipal Structures Act” means the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998);

“Municipal Systems Act” means the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000);

“Municipal valuer” or **“valuer of a municipality”** means a person designated as a municipal valuer in terms of section 33(1);

“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-

- A property which was incorrectly omitted from a valuation roll and for that reason was not rated before that date; and
- A property identified by the Minister by notice in the Gazette where the phasing-in of a rate is not justified;

“Non-Residential Property” means all properties other than those defined as residential;

“Occupier” in relation to a property, means a person in actual occupation of a property, whether or not that person has a right to occupy the property;

“Office bearer” in relation to places of worship, means the primary person who officiates at services at that place of worship;

“Official residence” in relation to places of public worship means-

- (a) portion of the property used for residential purposes; or
- (b) one residential property, if the residential property is not located on the same property as the place of public worship,

registered in the name of a religious community or registered in the name of a trust established for the sole benefit of a religious community and used as a place of residence for the office bearer

“Organ of state” means an organ of state as defined in section 239 of the Constitution;

“Owner” –

- (a) in relation to a property referred to in paragraph (a) of the definition of “property”, means a person in whose name ownership of the property is registered;

- (b) in relation to a right referred to in paragraph (b) of the definition of “property”, means a person in whose name the right is registered;
- (bA) in relation to a time sharing interest contemplated in the Property Time-Sharing Control Act, 1983 (Act 75 of 1983), means the management association contemplated in the regulations made in terms of section 12 of the Property Time-Sharing Control Act, 1983, and published in Government Notice R327 of 24 February 1984;
- (bB) in relation to a share in a share block company, the share block company as defined in the Share Blocks Control Act, 1980 (Act 59 of 1980)
- (bC) in relation to buildings, other immovable structures and infrastructure referred to in section 17(1)(f), means the holder of the mining right or the mining permit;
- (c) in relation to a land tenure right referred to in paragraph (c) of the definition of “property”, means a person in whose name the right is registered or to whom it was granted in terms of legislation; or
- (d) in relation to public service infrastructure referred to in paragraph (d) of the definition of “property”, means the organ of state which owns or controls that public service infrastructure as envisaged in the definition of “publicly controlled”,

provided that a person mentioned below may for the purposes of this Act be regarded by a municipality as the owner of a property in the following cases;

- (i) A trustee, in the case of a property in a trust excluding state trust land;
- (ii) An executor or administrator, in the case of a property in a deceased estate;
- (iii) A trustee or liquidator, in the case of a property in an insolvent estate or in liquidation;
- (iv) A judicial manager, in the case of a property in the estate of a person under judicial management;
- (v) A curator, in the case of a property in the estate of a person under curatorship;
- (vi) A person in whose name a usufruct or other personal servitude is registered, in the case of a property that is subject of a usufruct or other personal servitude;
- (vii) A lessee, in the case of a property that is registered in the name of a municipality and is leased by it;
- (viiA) a lessee, in the case of property to which a land tenure right applies and which is leased by the holder of such right; or
- (viii) 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;

“Permitted use” in relation to a property, means the limited purposes for which the property may be used in terms of –

- Any restrictions imposed by –
 - * A condition of title;
 - * A provision of a town planning or land use scheme; or
 - * Any legislation applicable to any specific property or properties; or
- Any alleviation of any such restrictions;

“Person” includes an organ of state.

“Place of public worship” means property used primarily for the purposes of congregation, excluding a structure that is primarily used for educational instruction in which secular or religious education is the primary instructive medium; provided that the property is –

- (a) registered in the name of the religious community;
- (b) registered in the name of a trust established for the sole benefit of a religious community; or
- (c) subject to a land tenure right.

“Prescribe” means prescribe by regulations in terms of section 83;

“Property” means-

- (a) Immovable property registered in the name of a person, including, in the case of a sectional title scheme, a sectional title unit registered in the name of a person;
- (b) A right registered against immovable property in the name of a person, excluding a mortgage bond registered against the property;
- (c) A land tenure right registered in the name of a person or granted to a person in terms of legislation; or
- (d) Public service infrastructure;

“Property Rates By-law” means the Municipality: Property Rates By-law promulgated in the Provincial Gazette No. 6917 of 14 October 2011;

“Property register” means a register of properties referred to in section 23;

“Protected area” means an area that is or has to be listed in the register referred to in section 10 of the Protected Areas Act;

“Public benefit organisation (PBO)” means properties owned by public benefit organisations and used for any specific public benefit activities listed in Part 1 of the ‘Ninth Schedule to the Income Tax Act;

“Public Service Infrastructure (PSI)” means publicly controlled infrastructure of the following kinds;

- (a) National, provincial or other public roads on which goods, services, or labour move across a municipal boundary;
- (b) 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 public;
- (c) Power stations; power substations or power lines forming part of an electricity scheme serving the public;
- (d) Gas or liquid fuel plants or refineries or pipelines for gas or liquid fuel plants or refineries or pipelines for gas or liquid fuels, forming part of a scheme for transporting such fuels;
- (e) Railway lines forming part of a national railway system;
- (f) Communication towers, masts, exchanges or lines forming part of a communication system serving the public;
- (g) Runways, aprons and the air traffic control unit at national or provincial airports, including the vacant land known as the obstacle free zone surrounding these, which must be vacant for air navigation purposes;
- (h) Breakwaters, sea walls, channels, basins, quay walls, jetties, roads, railway or infrastructure used for the provision of water, lights, power, sewerage or similar services of ports, or navigational aids comprising lighthouses, radio navigational aids, buoys, beacons or any other device or system used to assist the safe and efficient navigation of vessels;
- (i) Any other publicly controlled infrastructure as may be prescribed; or
- (j) A right registered against immovable property in connection with infrastructure mentioned in paragraphs (a) to (i)

“Public service purposes” in relation to the use of a property means property owned and used by an organ of state as –

- (a) hospitals or clinics;
- (b) schools, pre-schools, early childhood development centres or further education and training colleges;
- (c) national and provincial libraries and archives;
- (d) police stations;
- (e) correctional facilities; or
- (f) courts of law;

but excludes property contemplated in the definition of “public service infrastructure (PSI);

“Rate” means a municipal rate on property envisaged in section 229(1)(a) of the Constitution;

“Rateable property” means property on which a municipality may in terms of section 2 levy a rate, excluding property fully excluded from the levying of rates in terms of section 17;

“Ratepayer” means a person or entity that is liable, in terms of the MPRA, for the payment of property rates on property levied by the Municipality;

“Ratio” in relation to section 19 of the Municipal Property Rates Act (Act No.6 of 2004), means the relationship between the cent in the Rand applicable to residential properties and different categories of non-residential properties: Provided that the two relevant cent amounts in the Rand are inclusive of any relief measures that amount to rebates of a general application to all properties within a property category;

“Rebate” in relation to a rate payable on a property, means a discount granted in terms of section 15 on the amount of the rate payable on the property;

“Reduction” in relation to a rate payable on a property, means the lowering in terms of section 15 of the amount for which the property was valued and the rating of the property at that lower amount;

“Register” –

- (a) Means to record in a register in terms of-
 - a. The Deeds Registries Act, 1937 (Act 47 of 1937); or
 - b. The Mining Titles Registration Act, 1967 (Act 16 of 1967); and
- (b) Includes any other formal act in terms of any other legislation to record-
 - a. A right to use land for or in connection with mining purposes; or
 - b. A land tenure right;

“Residential Property” means a property included in a valuation roll in terms of section 48(2)(b) of the Local Government Municipal Property Rates Act in respect of which the primary use or permitted use is for residential purposes without derogating from section 9 of the Municipal Property Rates Act (Act 6 of 2004); and which includes the following:

- used predominantly (60% or more) for residential purposes;
- a unit registered in terms of the Sectional Titles Act (Act No. 95 of 1986, used predominantly (60% or more) for residential purposes, and includes any unit in the same Sectional Title scheme registered in the name of the same owner which is used together with the residential unit as if it were one property, for example a garage or domestic worker’s quarters. (Any such grouping shall be regarded as one residential property for rate rebate or valuation reduction purposes and for clearance application purposes); or
- owned by a share block company and used predominantly (60% or more) for residential purposes but will be considered as one residential property as set out in 5.1 below; or
- a retirement scheme or life right scheme used predominantly (60% or more) for residential purposes; or
- an old age home used predominantly (60% or more) for residential purposes; or
- a block of flats used predominantly (60% or more) for residential purposes, but will be considered as one Residential property as set out in 5.1 below.

“Sectional Titles Act” means the Sectional Titles Act, 1986 (Act 95 of 1986);

“Sectional title scheme” means a scheme defined in section 1 of the Sectional Title Act;

“Sectional title unit” means a unit defined in section 1 of the Sectional Title Act;

“Special rated areas”

- (1) A municipality may by resolution of its council-
 - a. Determine an area within that municipality as a special rating area;
 - b. Levy an additional rate on property in that area for the purpose of raising funds for improving or upgrading that area; and
 - c. Differentiate between categories of properties when levying and additional rate referred to in paragraph (b).

- (2) Before determining a special rating area, a municipality must-
- a. Consult the local community, including on the following matters;
 - i. The proposed boundaries of the area; and
 - ii. The proposed improvement or upgrading of the area; and
 - b. Obtain the consent of the majority of the members of the local community in the proposed special rating area who will be liable for paying the additional rate.
- (3) When a municipality determines a special rating area, the municipality-
- a. Must determine the boundaries of the area;
 - b. Must indicate how the area is to be improved or upgraded by funds derived from the additional rate;
 - c. Must establish separate accounting and other record keeping systems regarding-
 - i. The revenue generated by the additional rate; and
 - ii. The improvement and upgrading of the area; and
 - d. May establish a committee composed of persons representing the community in the area to act as a consultative and advisory forum for the municipality on the improvement and upgrading of the area, provided representivity, including gender representivity, is taken into account when such a committee is established. Such a committee must be a subcommittee of the ward committee or committee in the area, if the municipality has a ward committee or committees in the area.
- (4) This section may not be used to reinforce existing inequities in the development of the municipality, and any determination of a special rating area must be consistent with the objectives of the municipality's integrated development plan.
- (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 service district established in terms of that section of the Municipal Systems Act.

"Specified public benefit activity" means an activity listed in item 1 (welfare and humanitarian, item 2 (health care) and item 4 (education and development) of Part 1 of the Ninth Schedule to the Income Tax Act;

"This act" includes regulations made in terms of section 83.

(2) In this Act, a word or expression derived from a word or expression defined in subsection (1) has a corresponding meaning unless the context indicates that another meaning is intended.

"Valuation Roll" means a valuation roll made in terms of Section 30 of the MPRA or a supplementary valuation roll made in terms of Section 78 of the MPRA;

"Vacant Land" means a property without any buildings or structures that could be used for residential or other purposes.

4. GUIDING PRINCIPLES

4.1 The Municipality's Property Rates Policy is based on the following guiding principles:

- equity;
- affordability;
- poverty alleviation;
- social and economic development;
- financial sustainability; and
- cost efficiency.

4.2 Property Rates are levied in accordance with the MPRA as a cent-in-the-rand based on the property value contained in the Municipality's General Valuation Roll of 2011 and Supplementary Valuation Rolls.

- 4.3 A municipality must, according to Sec 78 of the MPRA, whenever necessary, cause a supplementary valuation to be made in respect of any rateable property- If
- (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) 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) it must be valued for any other exceptional reason;
 - (g) the category has changed;
 - (h) the value recorded in the valuation roll was incorrect as a result of a clerical or typing error.
- 4.4 As allowed for in the MPRA, the Municipality has chosen to differentiate between various categories of property and owners of property. Some categories of property and categories of owners are granted relief from property rates. However, the Municipality does not grant relief in respect of payments for property rates to any category of owners or properties, or to owners of properties on an individual basis, other than by way of an exemption, rebate or reduction provided for in this Policy.
- 4.5 A person liable for a rate must furnish the municipality with an address where correspondence can be directed to.
- 4.6 Differential rates applicable to Mossel Bay Municipality:
- Agricultural Properties
 - Multipurpose Properties
 - Businesses and Commercial Properties;
 - Industrial Properties;
 - Mining Properties;
 - Municipal Properties;
 - National Monuments;
 - Public Service Properties/Organs of state;
 - Place of Worship – Church;
 - Place of Worship – Parsonages;
 - Protected Area;
 - Public Benefit Organisations;
 - Public Service Infrastructure;
 - Residential Properties;
 - Vacant Land.
- 4.7 The rate charged as a cent-in-the-rand for Residential Properties is the base rate and the rates charged in respect of all other categories of properties are reflected as ratios to the Residential rate as set out below.

PROPERTY RATES TARIFF STRUCTURE

TARIFF TYPE	CATEGORY	RATIO	STRUCTURE
RESIDENTIAL	RES	BASE TARIFF	100%
Vacant Land - Residential	RESV	Ratio to base tariff	100%
Business & Commercial	BUS	Ratio to base tariff	200%
Vacant Land - Business	BUSV	Ratio to base tariff	200%
Industrial	IND	Ratio to base tariff	200%
Mining	MIN	Ratio to base tariff	200%
Agricultural	FAGR	Ratio to base tariff	25%
Public Service Infrastructure	PSI	Ratio to base tariff	25%
Public Benefit Organisation	PBO	Ratio to base tariff	25%
Public Service Properties	PSP (GOV)	Ratio to base tariff	25%
Municipal	MUN	Ratio to base tariff	0%
Protected Areas	PROT	Ratio to base tariff	0%
Place of Worship - Church	POWC	Ratio to base tariff	0%
Place of Worship - Parsonage	POWP	Ratio to base tariff	0%

5. APPLICATION OF THE POLICY**5.1 Residential Property (RES)**

- 5.1.1 a) The first R15 000 of the market value as per the Valuation Roll on Residential Properties as set out in Section 17(1) (h) of the MPRA is exempted from paying property rates;
- b) The Municipality will grant a rebate in terms of Section 15(1)(b) of the MPRA on the balance of the market value up to R50 000 in respect of all residential properties, as an important part of the Municipality's indigent relief measures aimed primarily at alleviating poverty amongst those persons owning low-value properties (revenue foregone);
- c) In the case of residential properties with a market value of R65 000 and less, the Municipality will grant a rebate in terms of Section 15(1) (b) of the MPRA for the market value of the property.

5.1.3 Private Owned Town (Vleesbaai) will be granted an additional 70% discount on the residential tariff.

5.1.4 Residential Vacant Land properties will not be granted any discounts or impermissible values.

5.2 Business & Commercial (BUS)

Business & Commercial properties will be charged at 200% of the base tariff.

5.2.1 Properties that are used as Accommodation Establishments will be granted a 30% rebate on the business & commercial tariff;

5.2.2 Farm properties that are used for business, commercial or industrial purposes will be granted a 30% rebate on the business and commercial tariff;

5.2.3 Business & Commercial Vacant Land properties will not qualify for any rebates and will therefore be charged the business & commercial tariff.

5.3 Public Service Infrastructure (PSI)

5.3.1 For Public Service Infrastructure (as defined in the MPRA) the first 30% of its market value in terms of Section 17(1) (a) of the MPRA is exempted from paying property rates.

5.3.2 The Public Service Infrastructure properties will be charged at 25% of the base tariff. These categories of properties and/or owners of properties are deemed to contribute services or benefits to the community.

5.4 Agricultural Use (FAGR)

5.4.1 A farm is an area of land, including various structures thereon, devoted primarily to the practice of producing and managing food (produce, grains or livestock) or forestry products. The farming activity must be intense, must not be a mere hobby and must contribute to the local economy.

5.4.2 In terms of the MPRA, the definition of agricultural purpose excludes the use of a property for the purpose of eco-tourism or for the trading in or hunting of game.

5.4.3 If agricultural properties are not used solely for agricultural purposes and where the municipal valuator considers it reasonable to apply the category of multiple-use properties, the apportionment of value for each distinct use of the property will be calculated by the municipal valuator and used for billing at the applicable rate of the specific property rates category.

5.5 Multiple-Use Properties

Properties used for multiple purposes which do not fall within the definition of Residential Properties and, accordingly, do not qualify for the residential rate, may be included into the category of multiple-use properties, for which an apportionment of value for each distinct use of the property will be calculated by the municipal valuer and used for billing at the appropriate and applicable rate, in cases where the municipal valuer considers it reasonable to apply this category.

5.6 Municipal Properties (MUN)

In terms of Section 7 of the MPRA the Municipality will not levy property rates on-

- (i) properties of which the municipality is the owner;
- (ii) Public Service Infrastructure owned by a municipal entity;
- (iii) Leased Municipal Properties with a nominal value and/or portions of the commonage property where it is not practical to levy property rates; and
- (iv) Municipal vesting properties.

5.7 Pensioners

5.7.1 Registered owners of Residential Properties who are pensioners qualify for special rebates according to gross monthly household income of all persons permanently residing on that property. To qualify for the rebate a property owner must be a natural person and the registered owner of a property which satisfies the requirements of the definition of Residential Property. This property owner must on 1 July of the financial year:

- occupy the property as his/her Primary Residence, and
- be at least 60 years of age, or
- has been declared medically unfit even if not yet 60 years of age, and
- be in receipt of a gross monthly household income not exceeding the amount determined by Council during the Municipality's budget process.

5.7.2 The owner must submit the application by 1 July for this rebate to be granted in the financial year in which the application is submitted. (Application forms can be obtained from the Municipality).

5.7.3 Only owners who, for the first time, during a financial year, meets all the other criteria above, may apply to receive the rebate. From the date the Municipality receives the application until the end of that financial year a pro-rata rebate will be calculated, where after all the criteria set out above will apply to applications for rebates in subsequent financial years. No new applications will be accepted after 30 April of each year.

5.8 Religious Institutions (POWC & POWP)

5.8.1 In terms of Section 17(1) (i) of the MPRA, the Municipality may not levy a rate on property registered in the name of and used primarily as a place of public worship by a religious community, including an 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.

5.9 Public Benefit Organisations (PBO)/Non-Profit Organisations(NPO)

5.9.1 The properties of Public Benefit Organisations or Non-Profit Organisations Service will be charged at 25% of the base tariff, if they comply with the conditions in 5.9.2 below. These categories of properties and/or owners of properties are deemed to contribute services or benefits to the community.

5.9.2 In order to be considered, the organisations must either be

registered as NPOs under the Non-Profit Organisations Act, (Act no., 71 of 1997), or be PBOs that qualify for tax exemption as contemplated by Part 1 of Section 30 of the Ninth Schedule of the Income Tax Act. Proof of such registration must be supplied upon request.

5.10 Indigent households

Indigent households with a valuation of R65 000 or less will receive an additional rebate for the difference in valuation above R50 000.

6 GENERAL

6.1 People who have submitted false information and/or false affidavits and/or failed to notify the CFO of any amended use of properties owned or used by them will have the exemptions, rebates or reductions withdrawn with effect from the date of the incident in question and interest levied as provided for in the Municipality's Credit Control and Debt Collection Policy and By-Law. The Municipality may also take further appropriate action against them.

6.2 All applications for exemptions, rebates or reductions will require the applicant's municipal accounts to have been paid up to date or the conclusion of a suitable arrangement with the Municipality as provided for in the Municipality's Credit Control and Debt Collection By-Law and Policy, which may include water and electricity saving measures. Should there be a default on the arrangements, all the rebates, exemptions or reductions granted may be reversed with effect from the date on which the default took place.

6.3. Any late applications or deviations from the ownership, registration or usage requirements of this Policy must be motivated in writing to the CFO and will be dealt with in the sole discretion of the CFO, taking into account any factors which he/she deems to be relevant, including, but not limited to considerations of fairness and equity.

7 REGULAR REVIEW PROCESSES

The Municipality's Property Rates Policy will be reviewed on an annual basis to ensure that it complies with the Municipality's strategic objectives and with legislation.

8 RESOLUTION LEVYING RATES

A resolution levying rates in a municipality must be annually promulgated within 60 days of the date of the resolution, by publishing the resolution in the Provincial Gazette.

9 LIABILITY FOR AND PAYMENT OF PROPERTY RATES

Liability for and payment of property rates is further governed by the MPRA and the Municipality's Credit Control and Debt Collection By-Law and Policy.

10 DUE DATES

The due date for payment of property rates in terms of Sections 26(2)(a) and (b) and 78(4) of the MPRA means the -date reflected on a municipal invoice as the final date on which payment is due and payable.

11 CLEARANCE CERTIFICATES & RATES REFUNDS

All monies collected by the Municipality including in respect of Special Rating Areas (including City Improvement Districts) and any estimated amounts for the duration of the validation period of a certificate in terms of Section 118(1) (a) of the Systems or Section 89 of the Insolvency Act, (Act 24 of 1936), are for the purpose of Section 118 of the Systems Act, deemed to be due and must be paid in order to facilitate the transfer of immovable property:

- 11.1 all amounts that are due must be paid in full prior to the issuing of any clearance certificate in terms of Section 118, of the Systems Act;
- 11.2 developer's contributions will be due and payable before any rates clearance certificate is issued on new erven developments;
- 11.3 in the case of new sectional title developments payment of developer's contribution will be due before services will be connected;
- 11.4 no interest shall be paid by the Municipality to the registered seller in respect of these payments which are deemed to be due; and
- 11.5 all payments will be allocated to the registered seller's municipal accounts and all refunds will be made to the transferring attorney;
- 11.6 refunds will only be issued on written request or application for refund of the transferring attorney;
- 11.7 refunds will be allocated to arrear service debt of tenants and only the balance will be refunded.
- 11.8 refunds will not be issued if the services have not been connected on the new owner and the deed confirming new ownership is received.
- 11.9 Outstanding services of tenants may only be recovered for a maximum period of two years if a request is lodged for a Section 118 (1) of the Municipal Systems Act (32 of 2000) Clearance Certificate. If this is done the conveyancer as well as the buyer of the property must be informed that the remaining debt will remain on the property according to subsection 3, the buyer will then be held responsible for it.
- 11.10 The clearance certificate will only be valid for 120 days;
- 11.11 Extension on a clearance certificate will be granted, if all services is paid in advance for another 120 days;
- 11.12 If the valid period surpasses 30 June of the year in which the request was received, the total annual debit for the following financial year will be payable.

12. EFFECTS OF OBJECTIONS AND APPEALS ON LIABILITY FOR PAYMENT

In terms of the MPRA:

- 12.1 the lodging of an objection or an appeal in terms of Sections 50 and 54 of the MPRA does not defer liability for the payment of property rates beyond the dates determined for payment in terms of this Policy;
- 12.2 the review of the municipal valueer's decision in terms of Section 52 of the MPRA does not defer liability for the payment of property rates beyond the dates determined for payment in terms of this Policy.

13. INDIGENCY

In terms of Section 3(3) (f) and Section 15 of the MPRA all indigents, for rating purposes, will qualify in respect of their Residential Properties for the benefits as set out in paragraph 5.1 of this Policy.

14. INTEREST ON OVERDUE ACCOUNTS

- 14.1 Interest shall be raised on overdue accounts as determined in the Credit Control and Debt Collection By-Law and Policy.
- 14.2. Interest for incorrect billing.
 - 14.2.1. Interest for incorrect billing will be dealt with according to the amendment of section 55 of the principle act in subsection 2, paragraph (b) –
 - (i) recover from [or repay to,] the person liable for the payment of the rate the difference determined in terms of paragraph (a) [plus interest at a prescribed rate] without adding interest on the amount due for rates: or
 - (ii) refund to the person who made the payment the difference determined in terms of paragraph (a) plus interest at the prescribed rate.

15. ADJUSTMENT OF PROPERTY RATES PRIOR TO SUPPLEMENTARY VALUATION (SV)

- 15.1 In circumstances where a valuation has been carried out by the municipal valuator in pursuance of a SV in terms of Section 78(1)(c), 78(1)(d), 78(1)(f), or 78(1)(g) of the MPRA as a result, for example, of a demolition having taken place on a property or a fire having destroyed buildings on a property, but the Municipality has not yet included such valuation of the relevant property in a SV, such valuation shall be submitted to the CFO for approval to levy property rates on the property in accordance with such valuation, with effect from the date of the occurrence of the event which caused a SV to be required.
- 15.2 If the owner of a property which has been subdivided or consolidated after the last general valuation wishes to sell the consolidated erf, or one or more of the erven which have been subdivided off the parent erf, as the case may be, applies to the Municipality for a clearance certificate in terms of Section 118 of the Systems Act and if the Municipality has not yet included such valuation of the relevant property (ies) in a SV:
- 15.2.1 the municipal valuator shall conduct a valuation of the relevant property (ies) for purposes of a Supplementary Valuation; and
- 15.2.2 the valuation shall be submitted to the CFO for approval of the levying of property rates on such property (ies) in accordance with such valuation, with effect from the date on which the relevant subdivision or consolidation (as the case may be) was registered in the Deeds Office.

16. CORRECTIONS ON PROPERTY RATES

Can only be done via Supplementary valuations and according to Section 78 of the MPRA.

17. This policy will come into effect on 1 July 2016

**MOSSEL BAY MUNICIPALITY
AMENDMENTS TO THE TARIFF POLICY**

Whereas section 75 of the Local Government: Municipal Systems Act, 2000 (Act No.32 of 2000) provides that a municipal council must adopt a Tariff Policy and By-laws to give effect to that policy, and its implementation and enforcement;

And whereas the Mossel Bay Municipality has adopted a revised Tariff Policy on 29 May 2014, Resolution E58-05/2014 and has published the policy in the Provincial Gazette, 7313, dated 03 October 2014 for general information;

And whereas the Council of the Mossel Bay Municipality has published its amendments to the Tariff Policy in the Provincial Gazette 7460, dated 31 July 2015 for general information;

And whereas the Council of the Mossel Bay Municipality has adopted the following amendments to the Tariff Policy on 30 May 2016, Resolution E96-05/2016;

Now therefore the amendments to the Policy is hereby published in English for general information. The revised Tariff Policy will be made available upon request in Afrikaans and Xhosa. In the event of an inconsistency between the English, Afrikaans or Xhosa text, the English text shall prevail.

Aldus die wysigings tot die Beleid hiermee gepubliseer word in Engels vir algemene inligting. Die gewysigde Tarief Beleid sal op aanvraag in Afrikaans en Xhosa beskikbaar gestel word. In die geval van 'n teenstrydigheid tussen die Engels, Afrikaans en Xhosa sal die Engelse teks aanvaar word.

Isihlomelo esenziwe kumgaqo wamaxabiso erhafu upapashwa ngolwimi lwesiNgesi elubala. Xa ubani efuna inguqulelo yesiBhulu okanye eyesi Xhosa angayifumana ngokwenza isicelo eso. Ukuba kuthe kwakho imbambhano kwezilwimi xa kutolikwa lemigaqo, ulwimi lwesiNgesi luyakulandelwa.

Insertions are indicated in **bold** and underlined

Deletions are indicated in [brackets]

Amendment of Section 2

1. Section 2 is hereby amended-

(a) By the amendment of the definition of **Indigent household** as follows:

Indigent household [a] indigent household **means a household that complies with the following** [qualify as indigent on the following] conditions:

- (i) [Total monthly household income must not be more than twice (2x) the monthly State old age pension; and] **The total municipal valuation, determined in terms of the Municipal Property Rates Acts, of a permanently occupied residential property, which does not exceed an amount as determined by Council, will automatically qualify as an indigent household; or**
- (ii) [The average electricity consumption for the past four months must not exceed 400kWh per month; and] **A household with a total monthly income of not more than twice (2 times) the monthly Government old age pension;**
- [(iii) The average water consumption for the past four months must not exceed 15kl water per month] –

(b) By the amendment of the definition of “**Owner**” as follows:

Owner [means]

- (a) the person in whom the legal title to the premises is vested;
- (b) in a case where the person in whom the legal title is vested is insolvent or deceased, or is under any form of legal disability whatsoever, the person in whom the administration of and control of such premises is vested as curator or other legal representative;
- (c) in any case where the Municipality is unable to determine the identity of such person, a person who is entitled to the benefit of such premises or building thereof;
- (d) leased for a period of not less than 30 (thirty) years, whether the lease is registered or not, the lessee thereof;

- e) in relation to –
- (i) a piece of land delineated on a sectional plan registered in terms of the Sectional Titles Act, (Act no. 95 of 1986), and without restricting the above provisions, the developer or the body corporate in respect of the common property, or
 - (ii) a section as defined in such Act, the person in whose name such section is registered under a sectional title deed, including the lawfully appointed representative of such person;
- f) any legal person including but not limited to:
- (i) a company registered in terms of the Companies Act, (Act no. 61 of 1973) Trust inter vivos, Trust mortis causa, a closed Corporations Act, (Act no. 69 of 1984), and a Voluntary Association;
 - ii) any government department;
 - iii) any council or board established in terms of any legislation applicable to the Republic of South Africa;
 - iv) any embassy or other foreign entity;
- g) owned by a council and which has been disposed of, but which has not been transferred to the person it has been disposed of, from the date of the disposition concerned, such person; and
- h) owned by or under the control or management of a council while held under a lease of any express or tacit extension thereof or under any other contract or under a servitude or right analogous thereto, the person so holding the immovable.]
- a) in relation to a property referred to in paragraph (a) of the definition of “property”, means a person in whose name ownership of the property is registered;**
- b) in relation to a right referred to in paragraph (b) of the definition of “property”, means a person in whose name the right is registered.**
- (bA) in relation to a time sharing interest contemplated in the Property Time-Sharing Control Act, 1983 (Act 75 of 1983), means the management association contemplated in the regulations made in terms of section 12 of the Property Time-Sharing Control Act, 1983, and published in Government Notice R327 of 24 February 1984;**
- (bB) in relation to a share in a share block company, the share block company as defined in the Share Blocks Control Act, 1980 (Act 59 of 1980)**
- (bC) in relation to buildings, other immovable structures and infrastructure referred to in section 17(1)(f) of the Municipal Property Rates Act, means the holder of the mining right or the mining permit;**
- (c) in relation to a land tenure right referred to in paragraph (c) of the definition of “property”, means a person in whose name the right is registered or to whom it was granted in terms of legislation; or**
- (d) in relation to public service infrastructure referred to in paragraph (d) of the definition of “property”, means the organ of state which owns or controls that public service infrastructure as envisaged in the definition of “publicly controlled”, provided that a person mentioned below may for the purposes of the Municipal Property Rates Act be regarded by a municipality as the owner of a property in the following cases:**
- (i) **A trustee, in the case of a property in a trust excluding state trust land;**
 - (ii) **An executor or administrator, in the case of a property in a deceased estate;**
 - (iii) **A trustee or liquidator, in the case of a property in an insolvent estate or in liquidation;**
 - (iv) **A judicial manager, in the case of a property in the estate of a person under judicial management;**

- (v) A curator, in the case of a property in the estate of a person under curatorship;
 - (vi) A person in whose name a usufruct or other personal servitude is registered, in the case of a property that is subject of a usufruct or other personal servitude;
 - (vii) A lessee, in the case of a property that is registered in the name of a municipality and is leased by it;
 - (viiA) a lessee, in the case of property to which a land tenure right applies and which is leased by the holder of such right; or
 - (viii) 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;
- (c) By the amendment of the definition of “**Poor households**” as follows:
- [(b) The average electricity consumption for the past four months must not exceed 400kwh per month; and
 - (c) The average water consumption for the past four months must not exceed 15kl water per month;]
- (d) By the insertion of the following definition of **Property**
- “Property” means –
- (a) Immovable property registered in the name of a person, including, in the case of a sectional title scheme, a sectional title unit registered in the name of a person;
 - (b) A right registered against immovable property in the name of a person, excluding a mortgage bond registered against the property;
 - (c) A land tenure right registered in the name of a person or granted to a person in terms of legislation; or
 - (d) Public service infrastructure;

Amendment of Section 11

2. Section 11 is hereby amended-

- (a) By the insertion of;

For the principles used to set the tariffs of the property rates refer to the latest approved property rates policy as approved by Council.

- (b) By the deletion of Sections 11.1 to 11.10 as follows:

[11.1 The usage of a property will be determined by the relevant Rates Category as per the category on the valuation roll e.g.

- if any property is used as a business, the business tariff will apply;
- if an agricultural property is used or partly used for business the property or portion will be levied on the applicable tariff as accepted by Council.]

[11.2 Rates Tariff Structure

The following rates tariff structure will apply as from the 2013/2014 financial year.

TARIFF TYPE		STRUCTURE
Industry/Commercial	BASE TARIFF	100%
Accommodation	Ratio to base tariff	70%
Agricultural used as business	Ratio to base tariff	70%
Residential	Ratio to base tariff	50%
Public open space	Ratio to base tariff	50%
Vleesbaai	Ratio to base tariff	15%
Public Service Infrastructure	Ratio to base tariff	12.5%
Agricultural	Ratio to base tariff	12.5%
Public benefit Organisation	Ratio to base tariff	12.5%

[11.3 Differential Rates Applicable To Mossel Bay

- (a) Accommodation establishments
- (b) Additional Residential Units
- (c) Agricultural Properties used for
 - (i) agricultural purposes
 - (ii) accommodation purposes
 - (iii) residential purposes
 - (iv) business and commercial purposes
 - (v) multipurpose
- (d) Businesses and Commercial Properties
- (e) Government
- (f) Industrial Properties
- (g) Mining Properties
- (h) Organs of State
- (i) Municipal Properties
- (j) National Monuments
- (k) Place of Worship – Church
- (l) Place of Worship – Parsonages
- (m) Private Open Space
- (n) Private Owned town (only applicable to Vleesbaai)
- (o) Protected Area
- (p) Public Benefit Organisations
- (q) Public Open Space
- (r) Public Open Space Private
- (s) Public Service Infrastructure
- (t) Public Service Infrastructure Private
- (u) Residential properties
- (v) Vacant land]

[11.4 Properties Exempted For Paying Property Rates

- (a) Municipal properties
- (b) Churches
- (c) Parsonages
- (d) Protected Area]

- [11.5 Special Rating Area
- (a) Commercial properties (CID)
 - (b) Residential properties (CID)]
- [11.6 Requirements for Pensioners Discount
- (a) The applicant must be the registered owner; and
 - (b) The person must occupy the property permanently; and
 - (c) Minimum age of the registered owner and his/her spouse must be at least 60 years or older; or
 - (d) The registered owner of the property is declared medical unfit and receives a pension to this effect; and
 - (e) The total income of the husband and wife may not exceed the amount determined by council during the annual budget.]
- [11.7 Public Service Infrastructure (PSI)
- (a) For Public Service Infrastructure (as defined in the MPRA) the first 30% of its market value in terms of section 17(1) (a) of the MPRA is exempted from paying rates.
 - (b) The Municipality grants a 75% rates rebate for the categories of PSI's (public service infrastructure), as defined in paragraph 4.4 above. These categories of properties and/or owners of properties are deemed to contribute services or benefits to the community.]
- [11.8 Public Service Infrastructure Private (PSIP)
- The Municipality grants a 100% rates rebate for the categories of PSIP's (public service infrastructure Private), as defined in paragraph 4.4 above, where the valuation of the property is less than R100 000. These categories of properties and/or owners of properties are deemed to contribute services or benefits to the community.]
- [11.9 Public Open Space Private (POSP)
- The Municipality grants a 100% rates rebate for the categories of POSP's or public open spaces private, as defined in paragraph 4.4 above, where the valuation of the property is less than R100 000. These categories of properties and/or owners of properties are deemed to benefit the community.]
- [11.10 Responsibility for Payment of Accounts
- (a) The owner will be liable for payment of rates and sewerage fees. The occupier will be liable for the water, electricity and refuse removal services in all circumstances.
 - (b) If an occupier did not pay a deposit, the owner stays responsible for all debits raised against the account. Therefore, if an occupier does not pay the account, the owner stays responsible for the account.
 - (c) Any disputes between owners or an owner and tenant must be resolved by them, employees of the Municipality may not get involved.]

Amendment of Section 14

3. Section 14 is hereby amended –

- (a) By the amendment of subsection 14.6(c) as follows:
- (c) For each additional residential unit on a single residential property **(excluding residential properties with a total value of less than, an amount determined by council for indigent households** (whether or not a second electricity meter is installed and even if there is only one water meter), a basic fee for water the applicable sewerage as well as refuse removal fee, will be payable for each additional unit.

Amendment of Section 22

4. Section 22 is hereby amended-

- (a) By the amendment of Section 22 as follows:
22 This policy will come into effect on **1 July 2016**

MR H HILL, ACTING MUNICIPAL MANAGER

