

A. DETERMINATION OF PROPERTY RATES TARIFFS FOR THE 2021/2022 FINANCIAL YEAR

In terms of the relevant legislation the Mangaung Metropolitan Municipality at a meeting held on **31 May 2021**, resolved to amend its Tariffs for Property Rates with effect from **1 July 2021** as follows:

Start date: 01 JULY 2021

End date: 30 JUNE 2022

1. **THAT** in terms of Sections 2, 7, 8 and 14 of the Local Government: Municipal Property Rates Act 6 of 2004 ("the Act"), read with Sections 4(1)(c)(ii) and 11(3)(i) and 75A of the Local Government: Municipal Systems Act 32 of 2000, the following rates in the Rand **BE LEVIED** for the financial year 1 July 2021 to 30 June 2022, on the market value of property or on the market value of a right in property within the area of jurisdiction of the Council as appearing in the valuation roll, in respect of the various categories of properties set out below:

Category	Rate in the Rand 2021/2022
Residential Properties	0.8938
Business and Commercial Properties	3.4634
Industrial Properties	3.4634
Agricultural Properties	0.2235
Mining Properties	3.4634
Public Service Purposes	3.4634
Government Properties	3.4634
Public Service Infrastructure Properties	0.2235
Places of Public Worship	0.0000
Private Open Space	0.8938
Private Road	0.8938
Public Benefit Organisations	0.0000

Municipal Properties	0.0000
Guesthouses	3.4634
Vacant Land	To be determined based on use
Township Development Properties	0.4469

2. That the rates levied in terms of paragraph 1 above **SHALL BECOME DUE AND PAYBLE** in twelve equal instalments on fixed days for twelve consecutive months, these being the due date stipulated in the account sent to the ratepayer.
3. That interest at the **prime rate + 1%** will **BE CHARGED** per month or part thereof on all arrear property rates at the applicable interest rate.
4. That in terms of Section 15(1)(b) of the Act read with Council's Property Rates Policy, the Council grants, the following reduction in market value and rebates on the rate levied for the financial year 2021/2022 to any owner of ratable property in the following circumstances:
 - 4.1 That in terms of section 17(h) of the Municipal Property Rates Act, No 6 of 2004, read in conjunction with the Council's Property Rates Policy the impermissible value and reduction of the market value of a property assigned to the residential category in the valuation roll or supplementary valuation roll, **BE DETERMINED as R 80 000.**
 - 4.2 **Indigent household** – Owner of residential property, registered in terms of Council's approved indigent policy, **BE REBATED 100%** from amount levied on Property Rates.
 - 4.3 **Age / Senior Citizen and disabled persons** – That in addition to the reduction in 4.1 above and subject to requirements as set out in Council's Rates Policy, an **ADDITIONAL** reduction of **R170 000** on the market value of qualifying senior citizens and disabled persons **BE GRANTED.**

The applicant must:

- i. be the registered owner of the property;
- ii. produce a valid identity document;

- iii. be at least 60 years of age upon application, approved disability grantee or approved medically boarded person;
- iv. not be in receipt of an indigent assessment rate rebate;
- v. reside permanently on the property as prescribed in Council's Property Rates Policy;
- vi. That the market value of the property does not exceed R 2 000 000 (Two million rand only);

4.4 **Child headed households** – That a child headed household registered in terms of Council's approved rates policy, **BE REBATED 100%** from amount levied on Property Rates **IF:**

- The total monthly income from all sources does not exceed an amount equal to three state pensions (per month) as determined by the National Minister of Finance.

4.5 **Agricultural** – That an agricultural property as defined in terms of the Council's approved rates policy **BE LEVIED** at the standard ratio of 1:0.25 of the tariff for residential properties and therefore an effective **REBATE** of 75% on the tariff for residential properties will apply. It should be noted that **NO ADDITIONAL REBATES** shall be granted if this rebate applies.

5. **Public Service Infrastructure** properties as defined under section 1 of the Municipal Property Rates Act 6 of 2004 read in conjunction with section 11(1)(b) and 17(1) be **LEVIED** at **MARKET VALUE LESS 30%**. That a Public Service Infrastructure property **BE LEVIED** at the standard ratio of 1:0.25 of the tariff for residential properties and therefore an effective **REBATE** of 75% on the tariff for residential properties will apply. The following Public Service Infrastructure properties are however excluded in terms of section 17 (1) (aA) and therefore is considered impermissible to levy rates:

- 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 plans or water pumps forming part of a water or sewer scheme serving the public;

- c) Railway lines forming part of a national railway system;
- d) 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;
- e) A right registered against immovable property in connection with infrastructure mentioned in paragraphs a) to e) above.

6. Notwithstanding the requirements of the Council's Property Rates Policy, the following categories of properties **BE EXEMPTED** from paying property rates:

- 6.1 **Municipal Properties** (Except where non-market related rental is applicable in which case the property is categorised according to its use (i.e. residential, business, etc.)).
- 6.2 **Properties owned by public benefit organisations** and used for any specific public benefit activities as listed under Part 1 of the Ninth Schedule to the Income Tax Act, 1962 (Act 58 of 1962) and in adherence to the requirements of the Council's Property Rates Policy.
- 6.3 **Places of Public Worship.**