

THE VENTERSDORP LOCAL MUNICIPALITY



PROPERTY RATES POLICY

PREAMBLE

- (1) The Constitution of the Republic of South Africa, 1996, and the Local Government: Municipal Property Rates Act, Act 6 of 2004 (hereinafter referred to as “the MPRA”), empowers the Ventersdorp Local Municipality (hereinafter referred to as “the VLM”) to impose rates on property.
- (2) In terms of section 4(1)(c) of the Local Government: Municipal Systems Act, Act 32 of 2000 (hereinafter referred to as “the Systems Act”), the VLM may, inter alia, levy rates on property to finance operational expenditure of the VLM.
- (3) In terms of section 62(1)(f)(ii) of the Local Government: Municipal Finance Management Act, Act 56 of 2003 (hereinafter referred to as “the MFMA”), the Municipal Manager of the VLM appointed in terms of section 82 of the Local Government: Municipal Structures Act, Act, 117 of 1998 (hereinafter referred to as “the Structures Act”), must, in his capacity as the accounting officer of the VLM, ensure that the VLM has and implements a rates policy.
- (4) The VLM:
 - (a) must, in terms of section 3(1) of the MPRA, adopt a policy consistent with the MPRA on the levying of rates on rateable property within the municipal area of the VLM;
 - (b) must, in terms of section 6(1) of the MPRA, adopt a by-law to give effect to the implementation of its rates policy;
 - (c) must, in terms of section 5(1) of the MPRA, annually review, and may, if necessary, amend this policy. Proposals for reviewing this policy must be considered by the VLM in conjunction with its annual operating budget; and
 - (d) may, in terms of section 22 of the MPRA, levy an additional rate on property in a special rating area and, in doing so, may differentiate between different categories of property.

- (5) This policy has been drafted in compliance with the provisions of sections 3(1) and 6(1) of the MPRA and must be read within the context of the MPRA and in as far as required supplemented and amplified by the MPRA.

THE VENTERSDORP LOCAL MUNICIPALITY: PROPERTY RATES POLICY

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CHAPTER 1: INTRODUCTORY PROVISIONS

1. DEFINITIONS

- (1) In this policy, except where the context otherwise indicates or it is expressly stipulated otherwise, the following words and expressions shall have the respective meanings assigned to them hereunder and words or expressions to which a meaning has been assigned in terms of the provisions of section 1 of the MPRA will have the corresponding meaning assigned thereto in terms of such section in this policy.

NO.	WORD/EXPRESSION	DEFINITION
“A”		
1.1.	“agent”	In relation to property, means a person appointed by the owner of such property: (a) to receive rental or other payments in respect of the property on behalf of the owner; (b) to make payments in respect of the property on behalf of the owner.
“B”		
1.2.	“bona fide agricultural / farming purposes”	Means farming / agricultural land or property zoned as agricultural / farming and used predominantly for bona fide farming purposes, including subsistence farming and the use of the property for eco-tourism, game farming and hunting purposes.
“C”		
1.3.	“certificate of	Means the certificate of occupancy issued by the VLM

	occupancy	in terms of the provisions of section 14 of the National Building Regulations and Building Standards Act, Act 103 of 1977
1.4.	“consent use”	Means the purpose for which land may lawfully be used and on which buildings may be erected and used only with the consent of the VLM.
1.5.	“council”	Means the municipal council of the VLM in which the executive and legislative authority of the VLM is vested and which is the decision making body of the VLM, its legal successors and its delegates.
1.6.	“current monthly rates”	Means the rate levied on a property in the month immediately preceding the month in which application for a rebate has been made, where such application is required in terms of this policy, and in all other events, the month preceding the month in which the rebate will come into operation.
“E”		
1.7.	“exemption”	In relation to the payment of a rate, means an exemption granted by the VLM in terms of the provisions of section 15 of the MPRA.
“F”		
1.8.	“financial year”	Means any period commencing on the 1 st day of July in any calendar year and ending on the 30 th day of June of the following calendar year.
“I”		
1.9.	“indigent”	Means a person registered as an indigent person in terms of the Customer Care and Management, Credit Control and Debt Collection Policy and By-Law of the VLM.
“L”		

1.10.	“low cost residential property”	Means a property which was obtained by the owner thereof, being the beneficiary of a subsidy availed to such owner in terms of the Housing Subsidy System, as provided for in the Housing Code, 2009, read with the provisions of the Housing Act, Act 107 of 1997.
“M”		
1.11.	“MFMA”	Means the Local Government: Municipal Finance Management Act, Act 56 of 2003.
1.12.	“MPRA”	Means the Local Government: Municipal Property Rates Act, Act 6 of 2004.
1.13.	“MPRA Rate Ratio Regulations”	Means the Municipal Property Rates Act: Regulations on the Rate Ratio between Residential and Non-Residential Properties promulgated in terms of the provisions of section 83 of the MPRA and published in GN R195 in GG 33016 of 12 March 2010.
1.14.	“municipal property”	Means property owned by, vested in or under the control and management of the VLM.
“N”		
1.15.	“non-residential property”	Means all properties (including all undeveloped properties) other than those defined as “residential property”.
“P”		
1.16.	“public service infrastructure”	Means public service infrastructure as defined in terms of the provisions of section 1 of the MPRA.
“R”		
1.17.	“rateable property”	Means property on which the VLM may, in terms of the provisions of sections 2 and 7 of the MPRA, levy a rate, excluding property which is fully excluded from the levying of rates in terms of the provisions of section 17 of the MPRA.

1.18.	“ratepayer”	Means any owner of rateable property, as well as any owner of rateable property held under sectional title, which is situated within the municipal area of the VLM.
1.19.	“rebate”	Means a discount granted in terms of the provisions of section 15 of the MPRA on the amount of the rate payable on the property.
1.20.	“reduction”	Means the lowering in terms of the provisions of section 15 of the MPRA of the amount for which the property was valued and the rating at that lower amount.
1.21.	“residential property”	Means improved property which is: <ul style="list-style-type: none"> (a) used predominantly (60% or more) for residential purposes, with no more than 2 (two) dwelling units per property, and includes any adjoining property registered in the name of the same owner and used together with such residential property as if it were one property (any such grouping shall be regarded as one residential property for rate rebate or valuation reduction purposes); or (b) a unit registered in terms of the provisions of the Sectional Titles Act, 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 (c) owned by a share-block company and used predominantly (60% or more) for residential

		<p>purposes; or</p> <p>(d) a retirement scheme or life right scheme used predominantly (60% or more) for residential purposes; or</p> <p>(d) a residence used for residential purposes situated on property used for or related to educational purposes;</p> <p>but excludes hostels, flats, old age homes, guesthouses and any vacant land irrespective of its zoning or intended usage.</p>
“S”		
1.22.	“school”	Means a school as defined in terms of the South African Schools Act, Act 84 of 1996.
1.23.	“Sectional Titles Act”	Means the Sectional Titles Act, Act 95 of 1986.
1.24.	“service provider”	Means a service provider as contemplated in subparagraph (c) in the definition of “the VLM”.
1.25.	“State”	In so far as it relates to property owned and used by the State, means property owned and used by the National Government and North West Provincial Government for the provision of community type services, including but not limited to police stations, hospitals etc. All other property owned and utilised by the State will be classified in accordance with its zoning i.e. business for offices, residential for housing schemes etc.
1.26.	“Structures Act”	Means the Local Government: Municipal Structures Act, Act 117 of 1998.
1.27.	“Systems Act”	Means the Local Government: Municipal Systems Act, Act 32 of 2000.
“T”		
1.28.	“technical and other”	Means a public college and/or private college as

	colleges	contemplated in the Further Education and Training Colleges Act, Act 16 of 2006.
1.29.	“the/this policy”	Means the Property Rates Policy of the VLM as set out herein and adopted by the VLM in terms of the provisions of section 3(1) of the MPRA.
1.30.	“threshold”	Means the amount, determined from time to time by the VLM during its annual budget process referred to in section 12(2) of the MPRA, to be deducted from the market value of residential properties, resulting in rates to be determined on the balance of the market value of such properties only.
1.31.	“Town Planning Scheme”	Means the Ventersdorp Land Use Management Scheme, or any revision or amendment thereof, which is in operation as contemplated in terms of the Town Planning and Townships Ordinance 15 of 1986, or any amendment or replacement of such Ordinance.
“v”		
1.32.	“vacant land”	Means a property without any improvements thereto.
1.33.	“valuation roll”	Means a valuation roll prepared in terms of the provisions of section 30 of the MPRA or a supplementary valuation roll prepared in terms of the provisions of section 78 of the MPRA.
1.34.	“Ventersdorp Local Municipality” or “VLM”	Means the VENTERSDORP LOCAL MUNICIPALITY a local government and legal entity with full legal capacity as contemplated in terms of the provisions of section 2 of the Systems Act, read with the provisions of Chapter 7 of the Constitution of the Republic of South Africa and sections 12 and 14 of the Structures Act, with its main place of business and the offices of the municipal manager, as envisaged in terms of the provisions of section 115(3) of the Systems Act, ___ Street, VENTERSDORP, NORTH WEST PROVINCE,

		<p>and includes:</p> <p>(a) its successor in title; or</p> <p>(b) a structural person exercising a delegated power or carrying out an instruction, in the event of any power being delegated as contemplated in terms of the provisions of section 59 of the Systems Act; or</p> <p>(c) in respect of ownership of property, rateability and liability for rates, a service provider fulfilling a responsibility assigned to it through a service delivery agreement.</p>
“Z”		
1.35.	“zoning”	<p>Means the purpose for which land may lawfully be used or on which buildings may be erected or used, or both, as contained in the applicable Town Planning Scheme, or any revision or amendment thereof, and “zoned” has a corresponding meaning, provided that where a property carries multiple zoning rights, the categorisation of such property will be in accordance with the highest rating category.</p>

2. AIM AND PURPOSE

- (1) This policy constitutes the policy as contemplated in terms of the provisions of section 3(1) of the MPRA and the aim and purpose of this policy are as set out in terms of the provisions of section 3(3) of the MPRA.
- (2) The further aim of this policy is to–
 - (a) ensure that all owners of rateable property are informed about their liability for the payment of property rates;

- (b) specify relief measures for ratepayers who may qualify for relief or partial relief in respect of the payment of rates through exemptions, reductions and rebates as contemplated in terms of the provisions of section 15 of the MPRA;
- (c) empower the VLM to specify a threshold at which rating in respect of residential properties may commence as provided for in terms of the provisions of section 15(1)(a) of the MPRA, which it is authorised to do;
- (d) set out the criteria to be applied by the VLM when it–
 - (i) increases rates; and
 - (ii) levies differential rates on different categories of property;
- (e) provide for categories of public benefit organisations, approved in terms of the provisions of section 30(1) of the Income Tax Act, Act 58 of 1962 (hereinafter referred to as “the Income Tax Act”), which are ratepayers, and may apply to the VLM for relief from rates;
- (f) recognise the State, organs of state and the owners of public service infrastructure as property owners;
- (g) encourage the development of property;
- (h) ensure that all persons liable for rates are treated equitably as required by the MPRA; and
- (i) provide that any rebate is to benefit the owner in occupation of the property.

3. TITLE AND APPLICATION

- (1) This policy is known as the Property Rates Policy of the Ventersdorp Local Municipality.
- (2) This policy revokes all previous policies, decisions and/or *ad hoc* clauses within any other policy, regarding the subject matter of this policy.

4. COMMENCEMENT AND VALIDITY

This policy shall come into full force and effect on the effective date of the first valuation roll prepared by the VLM in terms of the provisions of section 30 of the MPRA and shall accompany the VLM's budget for the 2013/2014 financial year when such budget is tabled in the council of the VLM in terms of the provisions of section 16(2) of the MFMA. The effective date of this policy will be 1 July 2012.

5. RESPONSIBLE AUTHORITY

The responsible authority for the adoption and implementation of this policy is the VLM and where applicable the council of the VLM.

CHAPTER 2: RATING PRINCIPLES AND CATEGORIES OF PROPERTY

6. OPERATIONAL BACKGROUND AND PRINCIPLES

- (1) This policy has been prepared to ensure equitable treatment by the VLM in the levying of rates on property owners, including owners under sectional title as contemplated in terms of the Sectional Titles Act, as well as any other person who may become liable for the payment of rates based on the guiding principles of equity, affordability, poverty alleviation, social and economic development, financial sustainability and cost efficiency.
- (2) This policy must be read in conjunction with the provisions of the Town Planning Scheme and the Town Planning and Townships Ordinance 15 of 1986, and any other applicable legislation, including, but not limited to, the MFMA, the Systems Act or any legislation which replaces any of the aforementioned acts or ordinance.

- (3) The VLM is in terms of the provisions of section 16(1) of the MFMA required to approve an annual operating budget prior to the commencement of every financial year and the income from rates must be used to finance in full or in part, the annual operating expenditure of the VLM as reflected in such budget.
- (4) As provided in the MPRA, the VLM has elected to differentiate between various categories of property and property owners. Some categories of property and categories of owners are granted relief from rates. The VLM does, however, not grant relief from rates in respect of payments for rates to any category of owners or properties on an individual basis, other than by way of an exemption, rebate or reduction provided in this policy.
- (5) Rates are levied in accordance with the provisions of the MPRA as a cent-in-the-rand based on the property value determined for a property as contained in the valuation roll and supplementary valuation roll. The rate charged as a cent-in-the-rand for residential properties is the base rate and the rate charged in respect of all other categories of property is reflected as ratios to the residential rate.

7. ANNUAL OPERATING BUDGET

- (1) The VLM must consider the levying of rates annually during the budget process as contemplated in section 12(2) of the MPRA.
- (2) Rate increases must be used to finance the increase in operating costs of the municipal services and facilities of the VLM.
- (3) In determining the level of increases in rates, the criteria to be applied may include the following-
 - (a) the inflation rate as indicated by the consumer price index, excluding mortgage bonds;
 - (b) the financing of increased operating expenditure in the budget of the VLM;

- (c) the financing of additional maintenance expenditure included in the operating budget of the VLM;
 - (d) the financing of additional depreciation charges included in the operating budget of the VLM;
 - (e) the additional cost of servicing debt included in the operating budget of the VLM;
 - (f) the augmentation of any revenue shortfall;
 - (g) the financing from the annual operating budget of expenditure related to anything the VLM is lawfully empowered to do for which provision has to be made in the budget; and
 - (h) the taking into consideration of the medium term budget growth factors as determined by National Treasury.
- (4) Also in determining the level of increases in rates and in order to assist the VLM in dealing with the criteria as set out in sub-paragraph (3) above, the VLM will make reference to the following classification-
- (a) Services:
 - (i) trading services;
 - (ii) economic services;
 - (iii) community services; and
 - (iv) subsidised services;
 - (b) Expenditure:
 - (i) salaries, wages and allowances;
 - (ii) bulk purchases;
 - (iii) general expenditure;
 - (iv) repairs and maintenance;
 - (v) capital charges;

- (vi) contribution to fixed assets;
 - (vii) contribution to funds;
 - (aa) bad debts;
 - (bb) working capital; and
 - (cc) statutory funds;
 - (viii) contribution to reserves;
 - (ix) gross expenditure [(i) to (viii)];
 - (x) less charge-out (inter-departmental charge-outs);
 - (xi) nett expenditure [(ix) less (x)];
 - (xii) income; and
 - (xiii) surplus/deficit [difference between (xi) and (xii)].
- (c) Cost centres (to which the costs associated with rendering the service can be allocated-):
- (i) by department;
 - (ii) by section/service; and
 - (iii) by division/service.
- (5) Differential rates may be levied in terms of the provisions of section 8 of the MPRA according to the permitted use or, where applicable, the actual use of the property concerned.
- (6) In addition to the criteria specified in sub-section (3) above, the following criteria may be taken into account in determining whether a differential rate should be applied-
- (a) the need to promote economic development;
 - (b) any administrative advantages in applying a differential rate; and
 - (c) the need to alleviate the rates burden on the owners of any particular category of property specified in this policy.

- (7) Rates are levied in accordance with the MPRA as an amount in the Rand based on the market value of all rateable property as reflected in the valuation roll and any supplementary valuation roll, as contemplated in terms of Chapters 6 and 8 of the MPRA, respectively.

8. CATEGORIES OF PROPERTY FOR LEVYING OF DIFFERENTIAL RATES

- (1) The VLM may levy different rates for different categories of rateable property, provided that the maximum ratio to the rate on residential property which may be imposed on farming/agricultural property, public service infrastructure property and public benefit organisation property may not exceed the ratio as published in terms of the MPRA Rate Ratio Regulations.

- (2) All rateable property will be classified within a specific category and will be rated upon the said classification, which will be in accordance with the permitted use thereof, unless otherwise stated in this policy.

- (3) For purposes of levying different rates based on the permitted use of properties in terms of the provisions of section 8(1)(b), read with sections 3(3)(b) and 3(3)(c) of the MPRA, the following categories of property are determined, as well as the main criteria to be used in order to determine the category of the property:

(a) Residential property:

The criteria set out in the definition of “residential property” in terms of section 1 of this policy applies *mutatis mutandis* as being the criteria to determine this category of property.

(b) Business and Commercial property:

Refers to property on which the activity of buying, selling or trading in goods and/or services occurs, but excludes a property that forms part of the multi-purpose category. It includes any office or other

accommodation on the same property, the use of which is incidental to the business, but excludes the business of mining. It further includes hostels, flats, communes, old age homes, guesthouses, bed and breakfast establishments and any vacant property which is being used for storage or parking in line with the zoning of such property.

(c) Industrial property:

Refers to property on which a trade or manufacturing, production assembling or the processing of finished or partially finished products from raw materials or fabricated parts occurs on such a large scale which involves significant capital and labour resources.

(d) Mining property:

Refers to property used for mining purposes or purposes incidental to mining operations.

(e) Public service infrastructure property:

Refers to property utilised to accommodate publicly controlled infrastructure of the following kinds:

- (i) national, provincial or other public roads;
- (ii) water or sewer pipes, ducts or other conduits, dams, water supply reservoirs, water treatment plants or water or sewage pumps forming part of a water, waste water or sewer network serving the public;
- (iii) power stations, power sub-stations or power lines forming part of an electricity network serving the public;
- (iv) gas or liquid fuel plants or refineries or pipelines for gas or liquid fuels forming part of a network for transporting such fuels;
- (v) railway lines forming part of a national railway network;

- (vi) communication towers, masts, exchanges or lines forming part of a communication network serving the public;
- (vii) runways or aprons at the municipal airport of the VLM;
- (viii) any other publicly controlled infrastructure as may be prescribed; or
- (ix) rights of way, easements or servitudes in connection with infrastructure mentioned in sub-paragraphs (i) to (viii).

(f) Municipal properties:

Refers to property owned by, vested in or under the control and management of the VLM and will consist of the following 2 (two) sub-categories:

(i) Municipal Property: Not Rateable:

The following types of property owned by, vested in or under the control and management of the VLM are not rateable:

- (aa) public service infrastructure owned by the VLM or a service provider, including those referred to in sub-paragraph (e) above;
- (bb) waste-dump sites;
- (cc) municipal burial grounds and adjacent public open space within the burial ground precinct;
- (dd) property used for the provision of public parks and zoned as public open space and includes undeveloped municipal property which is for the purposes of this policy deemed to be public open space;
- (ee) property used for culture, sporting and recreational facilities other than property subject to a registered

lease in terms of the Formalities in respect of Leases of Land Act, Act 18 of 1969, in which case the area subject to the lease shall be separately rated;

(ff) municipal housing schemes; and

(gg) Nature Reserves.

(ii) Municipal Property: Rateable:

The following types of property owned by, vested in or under the control and management of the VLM are rateable:

(aa) property leased to third parties in terms of a lease registered in terms of the Formalities In Respect of Leases of Land Act, Act 18 of 1969. Where property owned by the VLM is leased to a third party, the rating thereof shall be the prevailing rating applied to the principle property; and

(bb) municipal property used for purposes other than those specified in sub-paragraph (i).

(g) Farming/agricultural property:

Property in this category is limited to agricultural/farming property zoned as agricultural/farming and used for bona fide agricultural purposes with the property owner deriving his principal source of income from the produce of the land on such property. Agricultural/farming property not used for bona fide agricultural/farming purposes shall be rated according to the actual use thereof.

(h) State-owned or Organ of State-owned property:

Comment [U1]: Does the VLM have any nature reserves within its municipal area? VLM to please confirm.

- (i) property owned by the State or an organ of State is rateable and will be categorised according to the zoning of the property; and
- (ii) if property owned by the State or an organ of State is zoned for residential purposes, the rates must, after presentation of a certificate of occupancy, be levied in terms of the residential tariff.

(i) Smallholdings used for:

- (i) bona fide agricultural/farming purposes:
refers to a smallholding used predominantly (60% or more) for bona fide agricultural/farming purposes.
- (ii) residential purposes:
refers to a smallholding used for residential purposes only.
- (iii) Mixed use:
refers to a smallholding used predominantly for residential purposes (60% or more) but has significant portions of the property devoted to purposes that fall within other categories of property, but excludes hostels, flats, communes, old age homes, guesthouses, bed and breakfast establishments, and any vacant land irrespective of its zoning or intended usage.
- (iv) industrial purposes:
refers to a smallholding used for industrial purposes.
- (v) business and commercial purposes:
refers to a smallholding which is used for business and commercial purposes.
- (vi) any other purpose than those specified above:

such smallholdings will be categorised in terms of any of the property categories referred to in this policy which is in accordance with its predominant use.

(j) Protected areas:

Refers to property which receive protection because of its recognised natural, ecological and/or cultural values.

(k) Property used for Multiple Purposes:

Refers to a property which is used for more than one purpose and such property will be rated in accordance with the highest tariff applicable to the permitted use thereof.

(l) Education:

Refers to property owned by educational institutions which are registered with the South African Revenue Services in terms of the provisions of section 30 of the Income Tax Act and which provide education and development services as contemplated in terms of Part 1, section 4 of the Ninth Schedule to that Act.

(m) Public benefit organisation property:

Refers to property owned by a public benefit organisation and used for public benefit activities as listed in Part 1 of the Ninth Schedule to the Income Tax Act.

(n) Property used for Religious purposes:

Refers to property registered in the name of and used solely as a place of public worship by a religious community, including an official residence registered in the name of such community which is occupied by an office-bearer of such community who officiates at services at that place of worship.

- (4) In determining the category of a property referred to in sub-section (3) above the VLM will take into consideration the following criteria, or a combination thereof:
- (a) the dominant use of the property concerned;
 - (b) conditions for township establishment and land use rights pertaining to the property;
 - (c) the geographical area in which the property is situated;
 - (d) the nature and extent of the improvements on the property.
- (5) In order to ensure certainty and consistency in the application of the criteria mentioned in sub-section (4) above, the VLM will endeavour to apply the above criteria uniformly and in order of priority as follows:
- (a) properties must firstly be categorised in accordance with its permitted land use in terms of the Town Planning Scheme;
 - (b) In addition to the land use of a property, the dominant use of a property may also be used to categorise, or to narrow or confirm the category of such property. An inspection of the property concerned may be undertaken in order to obtain such information;
 - (c) Where the dominant and permitted use of a property differ, the permitted use will supersede the dominant use; and
 - (d) The geographical area where a property is situated as well as the nature and extent of any improvements made to such property, may also be considered to categorise the property.

- (6) Property used for multiple purposes must be categorised and rated in accordance with the provisions of section 9 of the MPRA.
- (7) Property which is used in conflict to its zoning will be rated at the tariff applicable to business and commercial.
- (8) Any property not falling within the ambit of the categories referred to above, shall be deemed to be business and commercial for the purposes of levying a rate.

CHAPTER 3: DIFFERENTIAL RATING, EXEMPTIONS, REDUCTIONS AND REBATES

9. DIFFERENTIAL RATING

- (1) The VLM will apply a differential rating system based on the different property categories set out in section 8 above, by means of a set rate to be applied to each category of property, provided that the maximum ratio to the rate on residential property which may be imposed on farming/agricultural property, public service infrastructure property and public benefit organisation property may not exceed the ratio as published in terms of the MPRA Rate Ratio Regulations.
- (2) The criteria for the implementation of the differential rating system on different categories of properties will be according to-
 - (a) the nature and use of the property;
 - (b) the sensitivity to rating of the category of property;
 - (c) the extent of municipal services and infrastructure available to the property;

- (d) the nature and extent of reductions and rebates applicable to the owners of the category of property; and
- (e) the promotion of social and economic development.

10. CATEGORIES OF PROPERTY OWNERS FOR PURPOSES OF EXEMPTIONS, REDUCTIONS AND REBATES AND THE CRITERIA FOR EXEMPTIONS, REDUCTIONS AND REBATES

For purposes of exemptions, reductions and rebates from the payment of a rate levied on the different categories of property as contemplated in terms of the provisions of section 15(1) of the MPRA, the following categories of property owners and the criteria to be applied for the granting of exemptions, reductions and rebates to these categories of property owners are determined:

(1) **EXEMPTIONS:**

The VLM will consider an exemption from rates payable by owners of the following properties:

(a) **An owner of residential property:**

- (i) low cost residential properties used for residential purposes only are fully exempted if the owner qualifies as an indigent person in terms of the VLM's Indigent Relief Policy; and
- (ii) all residential properties with a market value of less than the amount annually determined by the VLM in the Tariff Policy are exempted from paying rates. The impermissible rates contemplated in terms of section 17(1)(h) of the MPRA are included in the amount referred to above as annually determined by the VLM. This is an important part of the

Indigent Relief Policy of the VLM which is aimed primarily at alleviating poverty.

(b) Property owned by the VLM:

The VLM is exempted from paying rates in respect of the property referred to in section 8(3)(f)(i) above.

(c) Property owned by Public Benefit Organisations:

The following Public Benefit Organisations may apply for an exemption from paying rates on property, provided a tax exemption certificate which has been issued by the South African Revenue Services as contemplated in Part 1 of the Ninth Schedule of the Income Tax Act is submitted together with such application:

(i) State or Organ of State owned Health Care Institutions:

State owned or Organ of State owned property used solely for health care institution purposes, provided that any and all profits from the use of such property are used entirely for the benefit of such health care institution.

(ii) Welfare Institutions:

Property used exclusively as an orphanage, non-profit retirement village, old age home or benevolent institution, including workshops used by the residents, laundry or cafeteria facilities, provided that any profits from the use of the property are used entirely for the benefit of the institution and/or to charitable purposes within the VLM.

(iii) Educational Institutions:

Property owned by a non-profit educational institution, registered as such in terms of the applicable legislation.

(iv) Charitable Institutions:

Property owned by a non-profit institution or organisation, which performs charitable work.

(v) Sporting Bodies:

Property owned by an organisation which main purpose is to use such property for sporting purposes on a non-professional and non-profitable basis.

(vi) Cultural Institutions:

Property owned by an institution declared to be subject to the provisions of the Cultural Institutions Act, Act 119 of 1998.

(vii) Museums, Libraries, Art Galleries and Botanical Gardens:

Museums, Libraries, Art Galleries and/or Botanical Gardens, operated on a non-profit basis and open to the public.

(viii) Youth Development Organizations:

Property owned and used by an institution or organisation for the provision of youth leadership or a youth development programme on a non-profit basis.

(ix) Animal Welfare:

Property owned and used by an institution or organisation with the exclusive aim to protect birds, reptiles and/or animals on a non-profit basis.

(d) Property used for Religious purposes:

A Property used for Religious purposes as referred to in section 8(3)(n) above, is exempted from the payment of rates as per the provisions of section 17(1)(i) of the MPRA.

(2) An exemption from the payment of rates will only be granted by the VLM subject to the following conditions:

- (a) on application, which application must be addressed in writing to the VLM in the prescribed manner;
- (b) a tax exemption certificate issued by the South African Revenue Service must be submitted together with the application;
- (c) the municipal manager or the person to whom this authority to approve an application for an exemption has been delegated, must approve the application;
- (d) in considering the application for an exemption the VLM may request any such further and/or additional information and/or documentation as it deems necessary in order to consider such application;
- (e) the application must be submitted to the VLM before the end of **September preceding the start of the new municipal financial year for which such exemption is sought**; and
- (f) the VLM reserves the right to refuse any exemption if the details provided in the application is incomplete, incorrect or false.

(3) REDUCTIONS:

- (a) The VLM will consider reductions from rates payable by owners of property on an *ad hoc* basis, in any of the following circumstances:
 - (i) partial or total destruction of a property and/or improvements on such property; and

(ii) in the event of a disaster, as defined in terms of the provisions of the Disaster Management Act, Act 57 of 2002, directly or indirectly affects the property.

(4) A reduction from rates payable by owners of property will only be granted by the VLM subject to the following conditions:

- (a) the owner of a property in respect of which a reduction is applied for must apply in writing to the VLM for such reduction, and the onus will rest on such applicant to prove to the satisfaction of the VLM that such property has been totally or partially destroyed or affected by a disaster as contemplated in section 10(3)(a)(ii) above. Such owner will further have to indicate to which extent the property can still be used and the impact on the value of the property;
- (b) the percentage of the reduction granted and the period for which the reduction will be granted, if any, is solely within the discretion of the VLM;
- (c) the municipal manager or the person to whom this authority to approve an application for a reduction has been delegated, must approve the application; and
- (d) in considering the application for a reduction the VLM may request any such further and/or additional information and/or documentation as it deems necessary in order to consider such application.

(5) REBATES:

The VLM will consider rebates from rates payable on certain categories of property and/or for certain categories owners of property, on the following basis:

(5A) Categories of property:

(a) Business, commercial and Industrial property:

- (i) The VLM may grant rebates to rateable enterprises which promote local, social and economic development within its municipal area, as outlined in Schedule “A”. In establishing the extent of the rebate, the following criteria will be used:
 - (aa) job creation within the municipal area;
 - (bb) social upliftment of the local community; and
 - (cc) establishment of infrastructure for the benefit of the local community;
- (ii) A rebate of % may be granted on application to the VLM as prescribed and set out in Schedule “C”, provided such application is submitted before the end of September preceding the financial year for which the rebate is applied for;
- (iii) the municipal manager or the person to whom this authority to approve this application for a rebate has been delegated, must approve the application;
- (iv) in determining the annual rebate the VLM will take into consideration all relevant and applicable circumstances; and
- (v) in considering the application for a rebate the VLM may request any such further and/or additional information and/or documentation as it deems necessary in order to consider such application.

Comment [U2]: VLM to please provide.

(b) State-owned or Organ of state-owned property:

The State or an Organ of State will receive a rebate on rates applicable to State-owned or Organ of state-owned property, as

determined in Schedule "A", in the event of the full payment of the rates before 30 September of the applicable financial year.

(c) Farming/agricultural property:

- (i) the owners of Farming/agricultural property may be granted a rebate subject to such owner providing the VLM with the prescribed information as set out in Schedule "B" and in the format provided in Schedule "B";
- (ii) the prescribed information provided in the format of Schedule "B", must be submitted to the VLM before 30 September each year for which the rebate is applied for;
- (iii) rebates may be granted by utilizing the criteria as set out and referred to in paragraphs 3.1. to 3.2. of Schedule "A".

(d) Public Service Infrastructure property:

A rebate of 30% as mandated by the provisions of section 17(1)(a) of the MPRA will be granted by the VLM for Public Service Infrastructure property as they provide essential municipal services to the local community.

(5B) Categories of owners:

(a) Retired and Disabled Persons Rate Rebate:

Retired and Disabled Persons qualify for special rebates according to their monthly household income as referred to and set out in paragraph 3.3. of Schedule "A". To qualify for this

rebate a property owner must comply with the following requirements:

- (i) occupies the property as his/her normal and only residence;
- (ii) be at least 60 years of age or in receipt of a disability pension from the Department of Social Development or other approved pension funds;
- (iii) be in receipt of a total monthly household income from any and all sources (including income of spouse of owner) as set out in paragraph 3.3. of Schedule "A";
- (iv) not be the owner of more than one property;
- (v) provided that where the owner is unable to occupy the property due to no fault of his/her own, the spouse or minor children may satisfy the occupancy requirement;
- (vi) property owners must apply to the VLM for this rebate on the prescribed application form as set out in Schedule "D" and provide such documents as required therein;
- (vii) this application must be submitted to the VLM before the end of September preceding the start of the new financial year of the VLM for which the rebate is applied for;
- (viii) the municipal manager or the person to whom this authority to approve this application for a rebate has been delegated, must approve the application;
- (ix) in considering the application for a rebate the VLM may request any such further and/or additional information and/or documentation as it deems necessary in order to consider such application.

- (x) the VLM reserves the right to refuse rebates if the details supplied in the application form are incomplete, incorrect or false; and
- (xi) the extent of the rebate is set out in paragraph 3.3. of Schedule "A".

11. COST TO THE MUNICIPALITY DUE TO EXEMPTIONS, REDUCTIONS, REBATES, EXCLUSIONS, PHASING-IN AND THE BENEFIT THEREOF TO THE LOCAL COMMUNITY

- (1) The municipal manager must ensure that all exemptions, reductions, rebates and the phasing-in of certain rates, as contemplated in terms of the provisions of sections 15 and 21 of the MPRA, are appropriately disclosed in the annual operating budget, annual financial statements and annual report of the VLM and that such exemptions, reductions, rebates and phasing-in of certain rates are clearly indicated on the rate account which is submitted to every respective property owner liable to pay rates to the VLM.
- (2) The municipal manager must also disclose all costs in respect of such exemptions, reductions, rebates and/or phasing-in of rates, as provided in Schedule "A".
- (3) The benefit in respect of and the reasons and criteria for the granting of certain exemptions, reductions, rebates and/or phasing-in of certain rates to the various property owners includes, but is not limited to:
 - (a) the promotion of local economic development which includes the promotion of business investments within the municipal area of the VLM;
 - (b) job creation for the local community;
 - (c) the promotion of service delivery by *inter alia* farmers;
 - (d) poverty alleviation of indigent individuals;

- (e) social and moral development, including assistance to religious institutions, sporting bodies, educational institutions and/or other non-governmental organizations which promote health and/or other benefits to the local community; and
- (f) improved local economic growth.

CHAPTER 4: GENERAL PROVISIONS

12. SPECIAL RATING AREAS

- (1) The VLM may, if and when it deems necessary, by means of a council resolution determine special rating areas in consultation with the relevant communities as provided for in terms of the provisions of section 22 of the MPRA.
- (2) The following matters shall be attended to in consultation with the property owners within the area where the VLM considers to impose such special rating area:
 - (a) the proposed boundaries of the special rating area;
 - (b) statistical data in respect of the area concerned and any such further information as may be required by the property owners who owns property within the proposed special rating area;
 - (c) information in respect of the proposed improvements and/or upgrades, clearly indicating the estimated costs of each respective improvement and/or upgrade;
 - (d) the proposed financing of the improvements and/or upgrades;
 - (e) the priority of improvements and/or upgrades, if applicable;
 - (f) the socio economic factors of the relevant property owners concerned;

- (g) the different categories of property;
 - (h) the amount of the proposed special rating;
 - (i) the details regarding the implementation of the special rating;
 - (j) the additional income which will be generated by means of the special rating; and
 - (k) the precise manner in terms of which the VLM will utilize the additional income so generated.
- (3) A committee of property owners who owns property within the proposed special rating area, consisting of 6 (six) property owners must be established in order to advise and consult the VLM with regard to such proposed special rating area. This committee will be elected by the inhabitants within the proposed special rating area concerned, who must be at least 18 (eighteen) years of age. The election of the committee will commence under the guidance of the municipal manager. The committee will serve in an advisory capacity only and will have no executive powers.
- (4) The consent required from the property owners who owns property within the proposed special rating area, must be obtained in writing or by means of a formal voting process under the auspices of the municipal manager. The majority vote is regarded as 50% plus 1 (one), of the property owners concerned. Each property owner, being the receiver of the monthly account for the municipal rate, will have 1 (one) vote each.
- (5) In determining the special additional rates the VLM shall differentiate between different categories as referred to in section 8 above.
- (6) The additional rates levied must be utilized for the purpose of improving or upgrading the specific area only and not for any other purpose.
- (7) The VLM shall establish separate accounting and other record-keeping systems, compliant with GAMAP/GRAP, for the identified area and the property owners concerned shall be kept informed of progress with projects and financial implications on an annual basis.

13. RATE INCREASES

- (1) Subject to the provisions of section 28(6) of the MFMA, the VLM may consider the increase of rates annually during the drafting of its annual budget.
- (2) Income derived from the increasing of rates must be used by the VLM to finance any increase in operating costs of subsidized municipal services and/or any increase in the rendering of municipal services to the local community.
- (3) The following annual adjustments may be considered and/or made in respect of subsidized municipal services and/or the rendering of municipal services to the local community:
 - (a) salary and/or wage increases as agreed with the South African Local Government Bargaining Council;
 - (b) salary increases of managers directly accountable to the municipal managers in terms of the provisions of section 56 of the Systems Act;
 - (b) inflation adjustments in respect of general expenditure, repairs, maintenance and/or contributions to statutory funds, and
 - (c) additional depreciation costs, interest on and/or reduction of loans associated with the assets obtained by the VLM during the previous financial year.
- (4) Extraordinary expenditure in respect of community services which was not expected or budgeted for, may be financed by such an increase of property rates.
- (5) The VLM must take into consideration the affordability by ratepayers of any proposed increase of rates prior to implementing any such increase of property rates.
- (6) Any and all increases of property rates must be communicated to the local community in terms of section 14 of this policy.

14. NOTIFICATION OF RATES

- (1) The VLM must give notice to the local community of the rates to be levied on property as approved by resolution at its annual budget meeting.
- (2) The notice contemplated in sub-section (1) above must be published at least 30 (thirty) days prior to the date upon which the new rates will be implemented by the VLM and the accounts furnished after the 30 (thirty) day notice will be based on the new applicable rates, subject to the provisions of section 13(1) of the MPRA.
- (3) The resolution contemplated in sub-section (1) must be published, displayed and advertised by the VLM by means of a notice as contemplated by the provisions of sections 14(2) and 14 (3) of the MPRA.

15. PAYMENT OF RATES

- (1) A ratepayer has the option to pay the rates for which such ratepayer is liable to the VLM in one annual installment on or before the end of September of a given year, or to pay such rates on a monthly basis on or before the 10th (tenth) day of every month.
- (2) If the owner of rateable property wishes to opt for the payment of rates annually in one installment, such owner must notify the municipal manager in writing of such election and the owner will then become liable to the VLM to pay the rates on an annual basis.
- (3) Interest on arrear rates will be payable as set out in terms of section 75A(1)(b) of the Systems Act.
- (4) If the owner of rateable property fails, neglects or refuses to pay such rates which is owing and due to the VLM, the VLM must recover such rates in accordance with the provisions of its Customer Care and Management, Credit Control and Debt Collection Policy read with the provisions of Chapters 8 and 9 of the Systems Act.

- (5) Arrear rates may be recovered from any tenants or occupiers of a rateable property or agent as set out in terms of the provisions of sections 28 and 29 of the MPRA.

16. PAYMENT OF RATES ON PROPERTY IN SECTIONAL TITLE SCHEMES

- (1) Rates on property in respect of a sectional title scheme, will be levied on the individual sectional title units in the scheme and not on the collective property comprising such scheme.
- (2) The rate levied on a sectional title unit is payable and must be recovered from the owner of such unit and no rates in respect of any such unit may be recovered from the established body corporate of the scheme.
- (3) The provisions of sub-section (2) does not exempt a body corporate of a sectional title scheme from the payment of rates of a sectional title unit in respect of which such body corporate is the owner of such unit.
- (4) A body corporate which controls a body corporate established for a sectional title scheme may not apportion and collect rates contemplated in terms of the MPRA from the owners of the sectional title units in such scheme.

17. ACCOUNTS TO BE FURNISHED

- (1) The VLM must furnish every owner of rateable property liable for the payment of such rates with a written account therefore, which account must provide:
- (a) the amount due for such rates;
 - (b) the date upon or before which the rates are payable;
 - (c) the manner in terms of which the rates was calculated;
 - (d) the market value of the property for which the account was furnished;
- and

- (e) the percentage or amount of any applicable exemptions, reductions and/or rebates.
- (2) An owner of rateable property who/which is liable for the payment of such rates remains liable for the payment thereof, irrespective of whether or not such owner received an account furnished by the VLM therefore.
- (3) An owner contemplated in sub-section (2) above, must enquire and attempt to obtain such account from the VLM for the payment thereof.
- (4) Where a rateable property is owned by 2 (two) or more owners, the VLM may recover the applicable property rate therefore from any-one of the owners in order to reduce its administrative costs and in terms of the provisions of section 24(2)(a) of the MPRA.
- (5) The VLM has the rights in respect of accounts as set out in terms of the provisions of section 102(1) of the Systems Act.

18. FREQUENCY OF VALUATION

- (1) The VLM must prepare a new valuation roll every 4 (four) financial years, and may reserve the right to extend the validity of the valuation roll to 5 (five) financial years in terms of the provisions of section 32(2)(b) of the MPRA.
- (2) Supplementary valuations will be done on a continuous basis to ensure that the valuation roll is properly updated as provided for in terms of the provisions of section 78 of the MPRA.

19. COMMUNITY PARTICIPATION

This policy may only be adopted once the VLM has followed a process of community participation in accordance with the provisions set out in Chapter 4 of the Systems Act and section 4(2) of the MPRA, and the VLM must further take all comments and representations received as a result of the community participation process into account when it considers the adoption of this policy.

20. REGISTER OF PROPERTY

The VLM must compile and maintain a register of properties in accordance with the provisions of section 23 of the MPRA.

21. CERTIFICATE OF OCCUPANCY

- (1) Prior to a residential property being eligible for a residential rate or a rebate, a certificate of occupancy must have been issued in respect thereof by the VLM.
- (2) The onus of obtaining a certificate of occupancy rests with the owner of a property contemplated in sub-section (1).

22. ILLEGAL USE OF PROPERTY

- (1) If a court order is issued against the owner of a residential property, as referred to in section 8(3)(a), resultant upon the illegal use thereof, any tariff lower in value than the tariff applicable to business and commercial in respect of the property concerned will lapse with effect from the date of such order and an amount equal to that of the rate payable in terms of business and commercial property shall be the rate applicable to such property.
- (2)
 - (a) The owner of property contemplated in sub-section (1) may, on a form prescribed by the VLM, apply for the tariff lower in value than the tariff applicable to business and commercial to be reinstated;
 - (b) Such application must be accompanied by an affidavit by the owner confirming that the terms of the relevant court order have been complied with or that the property is being used in accordance with the rights accorded to that property in terms of the applicable Town Planning Scheme; and

- (c) The tariff lower in value than the tariff applicable to business and commercial must on approval of an application in terms of subparagraph (a), be reinstated as from the date of such approval.

23. INSPECTION OF AND OBJECTIONS TO ENTRIES INTO THE VALUATION ROLL OF THE VLM

- (1) Once the VLM has given notice in terms of the provisions of section 49 of the MPRA that the valuation roll is open for public inspection, any person may within such period stated in section 49(1)(a) of the MPRA:
 - (a) inspect the roll during office hours;
 - (b) upon payment of a reasonable fee request the VLM during office hours to provide an extract from the roll, and
 - (c) may lodge an objection with the municipal manager against any matter reflected in or omitted from the roll.
- (2) Objections must be in relation to a specific individual property and not against the valuation roll as a whole.
- (3) The lodging of an objection does not defer liability for the payment of rates beyond the date determined therefore.
- (4) All objections received shall be dealt with in the manner prescribed in terms of the provisions of Chapter 6 of the MPRA.

24. BY-LAW TO GIVE EFFECT TO RATES POLICY

The VLM must adopt a By-Law to give effect to the implementation of this policy.

25. POLICY REVIEW

This policy must be reviewed annually by the council of the VLM as prescribed in terms of the provisions of section 5 of the MPRA.

SCHEDULE "A"

NO.	CATEGORY//DESCRIPTION	APPLICABLE REBATE
1.	EXEMPTIONS:	
1.1.	RESIDENTIAL	R 50 000.00
2.	REDUCTIONS:	
2.1.	partial or total destruction of a property and/or improvements on such property	25%
2.2.	in the event of a disaster, as defined in terms of the provisions of the Disaster Management Act, Act 57 of 2002, directly or indirectly affects the property	50%
3.	REBATES:	
	State Properties	0%
	Residential Properties	0%
	Public schools	0%
	Private schools	25%
	Public Service Infrastructure	30%
3.1.	FARMING/AGRICULTURAL LAND:	
3.1.1.	THE EXTENT OF THE MUNICIPAL SERVICES PROVIDED TO FARMING/AGRICULTURAL PROPERTY:	
	No municipal roads next to property	7.5%
	No municipal sewerage to the property	7.5%
	No municipal electricity to the property	7.5%

Comment [U3]: VLM must please confirm or amend in terms of its current rebate amounts/percentages.

	No water supply to the property by the municipality	15%
	No refuse removal provided by the municipality	7.5%
3.1.2.	<p>THE CONTRIBUTION OF THE FARMING/AGRICULTURE PROPERTY TO THE LOCAL ECONOMY:</p> <p>A REBATE MAY BE GRANTED TO THE OWNER OF FARMING/AGRICULTURAL PROPERTY WHICH CONTRIBUTES SUBSTANTIALLY TO JOB CREATION, AND THE SALARIES/WAGES OF FARM WORKERS ARE REASONABLE, E.G. IF THEY MEET MINIMUM STANDARDS SET BY GOVERNMENT OR IF THEY ARE IN LINE WITH THE SECTOR'S AVERAGE. IN THIS REGARD THE CRITERIA ARE AS FOLLOWS AND SHOULD BE SUBSTANTIATED BY THE INFORMATION PROVIDED IN SCHEDULE "D":</p>	
	Salaries/wages of farm workers meet minimum standards.	5%
3.1.3.	<p>REBATES MAY BE GRANTED AFTER SUBMISSION OF PROOF BY THE OWNER, AS PER SCHEDULE "B", TO THE EXTENT TO WHICH AGRICULTURE ASSISTS IN MEETING SERVICE DELIVERY AND DEVELOPMENT OBLIGATIONS OF THE VLM AND CONTRIBUTION TO THE SOCIAL AND ECONOMIC WELFARE OF FARM WORKERS:</p>	
	If the owner is providing permanent residential property to the farm workers and such property is registered in the name of such farm workers.	5%
	If such residential properties are provided with potable water.	5%
	If the owner has provided electricity to the residential properties of his farm workers.	5%
	If the owner is availing his land/buildings to be used for the purposes of a cemetery, education and/or recreational purposes of the farm workers and their dependants and the nearby community in general.	5%
3.2.	FARMING, BUSINESS, COMMERCIAL AND INDUSTRIAL:	

3.2.1.	CONTRIBUTION TO JOB CREATION:	
	1 to 10 workers:	2,5%
	11 to 50 workers	5%
	51 workers or more	7,5%
3.2.2.	SOCIAL UPLIFTMENT OF THE LOCAL COMMUNITY: (specify criteria and extent in order to calculate percentage of rebate)	
		__ %
3.2.3.	ESTABLISHMENT OF INFRASTRUCTURE FOR THE BENEFIT OF THE LOCAL COMMUNITY: (specify criteria and extent in order to calculate percentage of rebate)	
		__%
3.3.	RETIRED AND DISABLED PERSONS ON RESIDENTIAL PROPERTY ONLY:	
	Owner with a gross monthly income from R 0 – R 2 400.00	100%
	Owner with a gross monthly income from R 2 401 – R 4 500.00	40%
	Owner with a gross monthly income from R 4 501 – R 6 500.00	30%
	Owner with a gross monthly income from R 6 501 – R 8 500.00	20%
	Owner with a gross monthly income from R 8 501 – R 11 000.00	10%
3.4.	PUBLIC SERVICE INFRASTRUCTURE:	
	The following rebate will be granted:	30%

SCHEDULE "B"

APPLICATION FOR REBATE ON FARMING/AGRICULTURAL PROPERTY:

(ALL AREAS TO BE COMPLETED IN NON-ERASEABLE BLACK INK AND APPLICABLE BOXES TO BE MARKED WITH AN X)

I, the undersigned:

Full Name & Surname: _____

Identity Number: _____

hereby declare under oath that the contents of this affidavit are within my personal knowledge, save where the contrary appears from the context hereof or is expressly stated otherwise, and are both true and correct, and that:

1

I am the registered owner of/the duly authorised representative of the registered owner, of:

Farm name: _____

Farm Number: _____

Held under Deed of Title: _____

Full Name and surname of registered owner: _____

2

I hereby apply for a rebate on the abovementioned property for the year: _____

I further confirm under oath that:

3.1. I/the owner of the above referred to property conducts *bona fide* farming activities on the property and I/the owner derive more than 50% of his/her/its income from the *bona fide* farming activities conducted on the property:

I/the owner of the above referred to property **do not** conduct *bona fide* farming activities on the property and I/the owner derive more than 50% of his/her/its income from the *bona fide* farming activities conducted on the property:

3.2. I/the owner avails land/buildings for cemetery, residential, educational and recreational purposes for the farm workers and their dependants and the nearby community in general:

I/the owner **do not** avail land/buildings for cemetery, residential, educational and recreational purposes for the farm workers and their dependants and the nearby community in general:

3.3. The residential units on the above property are provided with potable water:

The residential units on the above property **are not** provided with potable water:

3.4. The residential units on the above property are utilised for residential purposes by the farm workers employed on the above property:

The residential units on the above property **are not** utilised for residential purposes by the farm workers employed on the above property:

3.5. The residential units on the above property have been provided with electricity:

The residential units on the above property **have not** been provided with electricity:

3.6. The residential units on the above property are permanent residential property and have been registered in the name of the farm workers employed on the above property:

The residential units on the above property **are not** permanent residential property and **have not** been registered in the name of the farm workers employed on the above property:

3.7. The salaries/wages of farm workers employed on the above property meet minimum standards:

The salaries/wages of farm workers employed on the above property **do not** meet minimum standards:

3.8. I/the owner contributes to the social upliftment of the local community:

I/the owner **do not** contribute to the social upliftment of the local community:

3.9. I/the owner established infrastructure on the above property for the benefit of the local community:

I/the owner **did not** establish infrastructure on the above property for the benefit of the local community:

4

I/the owner are registered as a bona fide farmer with SARS, proof of which are attached hereto.

DEPONENT

Signed and sworn before me at _____ on this the ____ day of _____ 20____, the deponent having acknowledged that he/she knows and understands the contents of this declaration and that he/she has no objection to the taking of the prescribed oath and that he/she considers it binding on his/her conscience. I certify that the provisions of Regulation R.1258 of 21 July 1972 have been complied with.

COMMISSIONER OF OATHS

FULL NAME/S: _____

OFFICIAL CAPACITY: _____

AREA APPOINTED: _____

FULL ADDRESS: _____

SCHEDULE "C"

**APPLICATION TO THE VLM BY A RATEABLE ENTERPRISE WHICH PROMOTES
LOCAL, SOCIAL AND ECONOMIC DEVELOPMENT FOR A RATE REBATE**

I, the undersigned:

Full Name & Surname: _____

Identity Number: _____

being the duly authorised representative of:

Full Name on Enterprise: _____

Registration Number: _____

a rateable enterprise and the owner of the following property:

Full Description of Property: _____

hereby declare under oath that the contents of this affidavit are within my personal knowledge, save where the contrary appears from the context hereof or is expressly stated otherwise, and are both true and correct, and that:

- (b) a continuation plan issued by the directors of the enterprise and certified by the auditors of the enterprise stating that the objectives have been met in the first year after establishment and in which manner the enterprise will continue to meet the objectives.

DEPONENT

Signed and sworn before me at _____ on this the ____ day of _____ 20____, the deponent having acknowledged that he/she knows and understands the contents of this declaration and that he/she has no objection to the taking of the prescribed oath and that he/she considers it binding on his/her conscience. I certify that the provisions of Regulation R.1258 of 21 July 1972 have been complied with.

COMMISSIONER OF OATHS

FULL NAME/S: _____

OFFICIAL CAPACITY: _____

AREA APPOINTED: _____

FULL ADDRESS: _____

SCHEDULE "D"

APPLICATION TO THE VLM FOR A RATE REBATE BY A RETIRED OR DISABLED PERSON:

I, the undersigned:

Full Name & Surname: _____

Identity Number: _____

hereby declare under oath that the contents of this affidavit are within my personal knowledge, save where the contrary appears from the context hereof or is expressly stated otherwise, and are both true and correct, and that:

1

I hereby apply in terms of the provisions of the provisions of section 10 of this policy for a Rate Rebate regarding the following property:

Full Description of Property: _____

2

I hereby further confirm that I am a retired/disabled person based on the fact that:

DEPONENT

Signed and sworn before me at _____ on this the ____ day of _____ 20___, the deponent having acknowledged that he/she knows and understands the contents of this declaration and that he/she has no objection to the taking of the prescribed oath and that he/she considers it binding on his/her conscience. I certify that the provisions of Regulation R.1258 of 21 July 1972 have been complied with.

COMMISSIONER OF OATHS

FULL NAME/S: _____

OFFICIAL CAPACITY: _____

AREA APPOINTED: _____

FULL ADDRESS: _____