



**SCHEDULE "1"**

**EKURHULENI METROPOLITAN MUNICIPALITY**

**DETERMINATION OF ASSESSMENT RATES TARIFFS FOR THE 2012/2013 FINANCIAL YEAR**

The Ekurhuleni Metropolitan Municipality determined Assessment Rates Tariffs for the 2012/2013 Financial Year under the resolution A-F (20a-2012) at the Council Meeting held on 31 May 2012 as follows

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)(i) 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 2012 to 30 June 2013, 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	Ratio	Rate in the Rand
Residential	1.00	0.0074
Industrial	2.50	0.0187
Business and Commercial	2.00	0.0149
Farms - Agriculture	0.25	0.0018
Farms - Commercial	2.00	0.0149
Farms - Residential	1.00	0.0074
Farms - Other	0.25	0.0018
State Owned Properties	2.00	0.0149
Municipal Properties	2.00	0.0149
Public Services Infrastructure (PSI)	0.25	0.0018
Private Towns	1.00	0.0074
Smallholdings - Agriculture	0.25	0.0018
Smallholdings - Commercial	2.00	0.0149
Smallholdings - Residential	1.00	0.0074
Smallholdings - Other	0.25	0.0018
Informal Settlements	1.00	0.0074
Mining and Quarries	3.00	0.0224
Vacant Land	4.00	0.0298
Protected Areas	1.00	0.0074
National Monuments	1.00	0.0074
Multiple Purpose	2.00	0.0149

- (2) **THAT** the rates levied in terms of paragraph 1 above **SHALL BECOME DUE AND PAYABLE** 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 of the Ekurhuleni Metropolitan Municipality's bankers (currently ABSA Bank Ltd) will **BE CHARGED** per month or part thereof on all arrear assessment rates at the applicable interest rate, adjusted quarterly as specified in Schedule E - Tariffs for Financial Services.
- (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 2012/13 to any owner of rateable property in the following circumstances:
  - 4.1 That in terms of section 17(h) of the Municipal Property Rates Act, No 6 of 2004, the impermissible value of the market value of a property assigned to the residential category in the valuation roll or supplementary valuation roll, **BE DETERMINED as R 150 000.**
  - 4.2 **Indigent households** – Owner of residential property, registered in terms of councils approved **INDIGENT POLICY**, be exempted from paying of property rates.
  - 4.3 **Child headed households** – That a child headed household registered in terms of councils approved **INDIGENT POLICY**, be exempted from paying of Property Rates.
  - 4.4 **Age / Pensioners reduction, Disability grantees and medically boarded persons** – That in addition to the reduction in 4.1 above and subject to requirements as set out in councils Rates Policy, an additional reduction of **R150 000** on the market value of residential property owned by person older than 60 years of age or registered as "Life right use" tenant in deeds office (Age / Pensioner reduction), disability grantees and medically boarded persons **BE GRANTED.**
  - 4.5 **Aged / Pensioners rebate, Disability grantees and medically boarded persons** – That in addition to the reduction in 4.1 and 4.4 above, an additional rebate **BE GRANTED** in respect of sliding scale based on average monthly earnings.
 

The applicant must:

    - (i) be the registered owner of the property or registered as "Life right use" tenant in deeds office.
    - (ii) produce a valid identity document;
    - (iii) must be at least 60 years of age upon application, provided that where couples are married in community of property and the property is registered in both their name, the age of the eldest will be the qualifying factor, **or** approved disability grantee **or** approved medically boarded person;
    - (iv) not be in receipt of an indigent assessment rate rebate;
    - (v) must reside permanently on the property concerned which consists of one dwelling only and no part thereof is sub-let;
    - (vi) confirm the aforementioned details by means of a sworn affidavit and / or latest income tax assessment.

(vii) On approval, the following rebates will be applicable

Average Monthly earnings in respect of preceding 12 months.	100% rebate on assessment rates
R0.00 to R 2 160 (2 x State pensions when amended)	85% rebate on assessment rates
R 2 160.01 to R 3 000.00	70% rebate on assessment rates
R 3 000.01 to R 4 500.00	55% rebate on assessment rates
R 4 500.01 to R 6 000.00	40% rebate on assessment rates
R 6 000.01 to R 10 000.00	

(viii) That the minimum "average monthly earnings" be adjusted annually and effective in accordance with National Government Budget announcement in respect of state pensions.

**4.6 Municipal** – That non-trading services be exempted from paying of property rates.

**4.7 Sporting Bodies** - used for the purposes of amateur sport and any social activities which are connected to sport: **90%** rebate in respect of the amount levied as rates on the relevant property but subject to existing agreements between club and Council not determining a different position.

**4.8 Welfare organisations** registered in terms of the National Welfare Act, 1978 (Act No. 100 of 1978, **100%** rebate in respect of the amount levied as rates on the property.

**4.9 Public benefit organizations/Non-Governmental Organisations (NGOs) and Cultural Organisations** approved in terms of section 30 of the Income Tax Act 58 of 1962, read with items 1, 2 and 4 of the Ninth Schedule to that Act, **100%** rebate in respect of the amount levied as rates on the property.

**4.10 Protected areas/nature reserves/conservation areas** – That protected areas/nature reserves/conservation areas be exempted from paying of Property Rates.

**4.11 Private schools, Universities, Colleges and Crèches** :

(i) Private (Independent) primary and secondary schools (regardless of whether subsidized or not), registered as educational institutions, a rebate of between **70% and 100%** in respect of the amount levied as rates on the relevant property, subject to prior application and submission of prior years' audited financial statements. Rebate will be adjusted negatively in accordance with percentage ratio between net profit and gross income in the following categories :

Net Profit after tax%	Net Rebate%
0.00% To 10.00%	100%
10.01% To 20.00%	90%
20.01% To 30.00%	80%
30.01% To 40.00%	70%

(ii) Private (Independent) Universities and colleges, registered as educational institutions not subsidized by state, **20%** rebate in respect of the amount levied as rates on the relevant property.

(iii) Crèches, registered as educational institutions, **100%** rebate in respect of the amount levied as rates on the relevant property.

**4.12 Vacant unimproved stands** - That a **75%** rebate **BE GRANTED** on residential property on which a dwelling unit(s) is/are being constructed and which will be used exclusively for that purpose, subject to the following conditions :

- That an approved building plan is supplied;
- That a residential dwelling unit(s) be constructed on the property;
- That the **75%** rebate be granted for a maximum period of eighteen (18) months from the date the approved building plan was supplied;
- That the occupation certificate be supplied at the end of the eighteen (18) month period;
- That the failure to supply the occupation certificate will result in a reversal of the **75%** rebate already granted; and
- That in the event that the said property is sold prior to the issue of the occupation certificate, the rebate already granted be reversed.

**5. That rebates in respect of items 4.2 to 4.12, but excluding 4.6 (Municipal) and 4.10 (Protected areas/nature reserves/conservation areas), BE SUBJECT to the submission and approval of required application.**

File	5/3/11
Council Resolution	A-F(23-2010) CM 27/02/2010
Publication in Gauteng Provincial Gazette	Extra-Ordinary 123 dd 30 June 2010
Local Authority Notice Number	891
Council Resolution	A-F(33-2011) CM 20/04/2011
Publication in Gauteng Provincial Gazette	Extra-Ordinary 107 dd 1 June 2011
Local Authority Notice Number	888
Council Resolution	A-F(20a-2012) CM 31/05/2012
Publication in Gauteng Provincial Gazette	Extra-Ordinary 159 dd 13 June 2012
Local Authority Notice Number	768