



ETHEKWINI MUNICIPALITY
TREASURY
Office of the Deputy City Manager

PROMULGATION OF RESOLUTION LEVYING RATES

Notice is hereby given that on **30 May 2012** the Council of eThekweni Municipality adopted the following resolutions in conformity with the provisions of Section 14 of the Local Government: Municipal Property Rates Act 6 of 2004 and Section 17 (3) (a) (ii) of the Local Government: Municipal Finance Management Act 56 of 2003

1. DETERMINATION OF RATES

In terms of the Rates Policy **2012/2013** adopted by Council on 26 April 2012, the Municipality may levy different Rates for different categories of Property.

That the rate randage for the said financial year for the eThekweni Municipality, be and is hereby assessed and levied for the following categories at:

- **Residential** at **0.914** cents in the Rand
- **Agricultural** at **0.228** cents in the Rand
- **Industrial** at **2.674** cents in the Rand
- **Business and commercial** at **2.072** cents in the Rand
- **Public service infrastructure** at **0.228** cents in the Rand
- **Vacant land** at **4.376** cents in the Rand
- **Unauthorised or illegal development** **4.376** cents in the Rand
- **Rural residential** at **0.914** cents in the Rand

Multiple Use Property will be dealt with in accordance with the Rates Policy.

2. Exemptions, Rebates and Reductions:

The following reductions on the market value of the property and rebates on the rates payable, be and are hereby granted in accordance with the Rates Policy.

2.1 Residential Property

That in addition to the statutory reduction of R 15 000, a further reduction of R105 000 be and is hereby approved for property values exceeding R185 000.

Persons owning property with a rateable value of R185 000 and below, will be liable for a fixed charge of R240.00 per annum in rates.

2.1.1 **Senior Citizens, Disability Grantees / Medically Boarded Persons and Child Headed Households:**

- (i) That in addition to the reduction in 2.1 above, a rebate not exceeding R3 108 or such lesser amount as may otherwise be payable, be and is hereby approved for qualifying pensioners, disability grantees / medically boarded persons and child headed households.
- (ii) That it be and is hereby resolved to place a maximum limit of R3 million on the value of the property, in order to qualify for the senior citizens rebate in (i) above.

2.1.2 **Public Benefit Organisations:**

That on application and approval, Public Benefit Organisations listed in clause 7.5 of the Municipality's Rates Policy 2012/2013 shall receive an exemption from rates.

2.1.3 **Life Rights Schemes and Retirement Villages:**

That on application and approval a 25% rebate be granted to Life Rights Schemes and Retirement Villages registered in terms of the Housing Development Scheme for Retired Persons Act 65 of 1988.

2.1.4 **Bed and Breakfast Undertakings:**

That on application and approval a rebate of 50% be granted to all Bed and Breakfast establishments, that have a valid Registration Certificate issued by eThekweni Municipality.

2.1.5 **Guest House Undertakings:**

That on application and approval a rebate of 25% be granted to all Guest House undertakings which have a valid Registration Certificate issued by eThekweni Municipality.

2.1.6 **Back –Packer Lodges**

That on application and approval, the following rebates shall apply to Back-packer establishments that have a valid Registration Certificate:

- i. Where up to 9 beds are available to guests, a rebate not exceeding 50% will apply;
- ii. Where up to 20 beds are available to guests, a rebate not exceeding 25% will apply.

2.1.7 **Schools not for Gain:**

That a rebate of 50% be and is hereby granted to qualifying schools not for gain.

2.1.8 **Municipal Properties**
Except for Trading Services and Housing suspensive sale agreements, property owned by the Municipality or occupied by the Municipality for development housing, is exempt from rates.

2.1.9 **Natural and Other Disasters**
(i) That on application and approval, a temporary rebate of 75% be granted in respect of property damaged by disaster for a period of six months or a portion thereof.
(ii) That on application and approval, that a further temporary rebate of 75% be granted thereafter for a period not exceeding six months.
(iii) That the rebate is granted on the category of property prior to damage.

2.1.10 **Vacant Land:**

That a reduction of R 30 000 on Vacant Land be and is hereby approved in accordance with the Rates Policy.

2.1.11 **Nature Reserves and Conservation areas**
That on application and approval, nature reserves and conservation areas shall be excluded from rates.

2.1.12 **Special Rating Areas:**
(i) That the Special Rating Areas as indicated in Annexure A be and are hereby established:
(ii) That in respect of the Special Rating Areas additional rates, as indicated in Annexure A hereto, be approved and levied in respect of each category of property within the boundaries of the Special Rating Area.

2.1.13 **Phasing in of Rates:**
That the following phasing in of rates be and are hereby approved subject to Section 21 of The Local Government: Municipal Property Rates Act 6 of 2004:-

- (i) A rate levied on newly rateable property must be phased in over a period of three financial years.
- (ii) A rate levied on property belonging to a Land Reform Beneficiary or his or her heirs must, after ten years from the date on which such beneficiary's title was registered in the office of the Registrar of Deeds, be phased in over a period of three financial years.

The phasing in discount on properties referred to in (i) and (ii) above will apply as follows:-

- (a) 75% in the first year

- (b) 50% in the second year
- (c) 25% in the third year

(iii) A rate levied on newly rateable property owned and used by organisations conducting specified public benefit activities and registered in terms of the Income Tax Act for those activities must be phased in over a period of four financial years, with the following phasing in discounts:

- (a) 100% in the first year
- (b) 75% in the second year
- (c) 50% in the third year
- (d) 25% in the fourth year

3. **Date of Operation of Determination of Rates:**

That this determination comes into operation on **2012-07-01**.

4. **Final Date for Payment of Rates:**

- (i) Where rates are payable in monthly instalments, such payments shall be in twelve (12) equal or near equal instalments payable 21 days from date of account.
- (ii) Where rates are payable annually the final date for payment shall be 31 October 2012, provided that where this date falls on a Sunday or public holiday payment shall occur on the last working day prior to such Sunday or public holiday.

5. **Administration Charge on Arrear Rates:**

That the administration charge on arrear rates as referred to in Section 11.6 of the Credit Control and Debt Collection Policy is determined at 10 %. Collection of Arrear rates is in accordance with the adopted Credit Control & Debt Collection Policy.

6. **Interest on Arrears**

The CFO shall have the delegated authority to set the interest rate on arrear accounts.

7. **Interest on Cash deposits**

Interest on cash deposits held, shall accrue 6 months from date of deposit at a rate of 3%p.a.

ANNEXURE A – 2012/13

ADDITIONAL RATES LEVIED ON SPECIAL RATING AREAS (2.1.12 REFERS)

Special Rating Areas	Residential	Business and Commercial	Industrial	Vacant Land	Agriculture
a) Precincts bordered by Monty Naicker, Dorothy Nyembe, Anton Lembede and Dr Yusuf Dadoo Streets.	0.000801	0.002402	0	0	0
b) Precinct bordered by Soldiers Way, Dr AB Xuma Road, Florence Nzama Street and Bram Fischer Road.	0.000139	0.000418	0.000488	0.000697	0
c) Precinct bordered by Dorothy Nyembe Street, Margaret Mncadi Avenue, Beach Walk and Anton Lembede Street	0.000139	0.000418	0.000488	0.000697	0
d) Precinct bordered by Soldiers Way, Bram Fischer Road, Sylvester Ntuli, KE Masinga and Archie Gumede (Place) Roads.	0.000139	0.000418	0.000488	0.000697	0
e) Precinct bordered by OR Tambo Parade, Dr Pixley KaSeme Street Mall, Rutherford and Gillespie Streets (South Beach Area).	0.001370	0.004110	0	0.006851	0
f) Umhlanga Promenade Precinct bordered by Ocean Way (South), Lot 430 (North), Lagoon Drive (West) and the Indian Ocean (East).	0.000723	0.002170	0.002531	0.003616	0
g) Precinct bordered by Burlington Road, Burlington Drive, Nagel Road, Windsor Road, Midmar Road and Henley Road.	0.002847	0.008542	0	0.014237	0
h) Umhlanga Village bordered by Flamingo Lane, Ocean Way, Lagoon Drive, McCauland Crescent, Weaver Crescent and the Ruth First Highway	0	0.001593	0	0.002654	0
I) Giba Gorge bordered by N3 Highway (South), Reservoir Road, Jan Smuts Avenue, Galloway Lane, Mountbatten Place, Alexander Drive, King Cetshwayo Highway (East), Portion 157 of Clifton (North) to Saint Helier Road (West)	0.000504	0	0	0.000504	0.000504
j) Maytime Community bordered by M 13 Highway, Woodside Avenue, Haygarth Rd, Abrey Road, Msonti, Quillhall Lane, Alexander Avenue, Mtonbi and Victory Road	0.003210	0.003210	0.003210	0.003210	0