

## **LOCAL AUTHORITY NOTICES**

**No. 54**

### **RATES**

### **BY-LAW**

#### **MUNICIPALITY OF SENQU RATES POLICY BY-LAW**

The Municipal Manager of Senqu Municipality hereby publishes in terms of Section 13 of the Local Government Municipal Systems Act, 2000 (Act 32 of 2000) read with Section 162 of the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996) the Rates Policy By-Law, which shall come into operation *on* the date of publication hereof.

#### **[1] DEFINITIONS**

For the purpose of these by-laws, unless the context indicates otherwise-

"**Act**" means the Rates Act No. 6 of 2004

"**Council**" means the Municipal Council of Senqu or any duly authorised Committee, political office bearer or official of the said Council.

"**Municipality**" means the Local Municipality of Senqu

"**Service Delivery Agreement**" means *an* agreement between the Municipality and an institution or persons mentioned in section 76(b) of the Local Government: Municipal Systems Act 32 of 2000.

"**Tariff**" means any rate, tax, duty and levy or fee which may be imposed by the municipality for services provided either by itself or in terms of a service delivery agreement.

#### **[2.] GENERAL PROVISIONS**

##### **[2.1] Service of notice**

**[1]** Any notice or other document that is served on a person in terms of this by-law is regarded as having been served-

**[a]** when it has been delivered to that person personally;

**[b]** when it has been left at that person's place of residence or business in the Republic with a person apparently over the age of sixteen years;

**[c]** when it has been posted by registered or certified mail to that person's last known residential or business address in the Republic and an acknowledgement of the posting thereof from the postal service is obtained;

**[d]** if that person's address in the Republic is unknown, when it has been served on that person's agent or representative in the Republic in the manner provided by paragraphs [a], [b] or [c]; or

**[e]** if that person's address and agent or representative in the Republic is unknown, when it had been posted in a conspicuous place on the property or premises, if any, to which it relates.

**[2]** When any notice or other document must be authorized or served on the owner, occupier or holder of any property or right in any property, it is sufficient if that person is described in the notice or

other document as the owner, occupier or holder of the property or right in question, and it is not necessary to name that person.

**[3]** Any legal process is effectively and sufficiently served on the Municipality when it is delivered to the Municipal Manager of the Municipality or a person in attendance at the Municipal Manager's office.

## **[2.2] Compliance with notices**

Any person on whom a notice duly issued or given under this by-Saw is served shall, within the time specified in such notice, comply with its terms.

## **[2.3] Authentication of Documents**

**[a]** Every order, notice or other document requiring authentication by the Council shall be sufficiently authenticated, if signed by the Municipal Manager or by a duly authorized employee of the Council;

**[b]** Delivery of a copy of the document shall be deemed to be delivery of the original.

## **[2.4] Prima Facie Evidence**

A certificate under the hand of the Municipal Manger reflecting the amount due and payable to the Council shall upon mere production thereof be accepted by any court of law as prima facie evidence of the indebtedness reflected therein.

## **[3] RATES POLICY**

The Council of a municipality must adopt a policy consistent with the present Act on the levying of rates on rateable property in the municipality.

Such a Rates Policy will take effect on the effective date of the first valuation roll prepared by the municipality in terms of the present Act, and such policy must accompany the municipality's budget for the financial year concerned when that budget is tabled in the Council in terms of the requirements of the Municipal Finance Management Act. A Rates Policy must:

- treat persons liable for rates equitably - determine the criteria (such criteria will be determined Council and will be an addendum to this policy, which will be revised annually) to be applied by the municipality if it: - levies different rates for different categories of property
- exempts a specific category of owners of properties, or the owners of a specific category of properties, from payment of a rate on their properties - grants to a specific category of owners of properties, or to the owners of a specific category of properties, a rebate on or a reduction in the rate payable in respect of their properties; or - increases rates
- determine or provide criteria (such criteria will be determined Council and will be an addendum to this policy, which will be revised annually) for the determination of categories of properties for the purposes of levying different rates, and categories of owners of properties, or categories of properties, for the purpose of granting exemptions, rebates and reductions
- determine how the municipality's powers in terms of Section 9 of the Rates Act must be exercised in relation to properties used for multiple purposes
- identify and quantify in terms of cost to the municipality and any benefit to the local community
- exemptions, rebates and reductions; exclusions; and rates on properties that must be phased in terms of Section 21 of the Rates Act

- take into account the effect of rates on the poor and include appropriate measures to alleviate the rates burden on them
- take into account the effect of rates on organisations conducting specified public benefit activities and registered in terms of the Income Tax Act for tax reductions because of those activities, in the case of property owned and used by such organisations for those activities
- take into account the effect of rates on public service infrastructure
- allow the municipality to promote local, social and economic development; and
- identify, on a basis as may be prescribed, all rateable properties in a municipality that are not rated in terms of Section 7 of the Rates Act.

In applying its rates policy, the council shall adhere to all the requirements of the Property Rates Act 2004, including any regulations promulgated in terms of that Act.

#### **[4] IMPOSITION OF RATES**

The Council shall as part of each annual operating budget component impose a rate in the rand on the market value of all rateable property as recorded in the municipality's valuation roll and supplementary valuation roll.

Rateable property shall include any rights registered against such property, with the exception of a mortgage bond.

The Council pledges itself to limit each annual increase as far as practicable to the increase in the consumer price index over the period preceding the financial year to which the increase relates, except when the approved Integrated Development Plan of the municipality provides for a greater increase.

#### **[5] EXEMPTIONS, REBATES AND REDUCTION OF RATES**

In imposing the rate in the rand for each annual operating budget component, the Council shall grant the exemptions, rebates and reductions to the categories of properties and categories of owners, but the Council reserves the right to amend these exemptions, rebates and reductions annually.

#### **[6] FREQUENCY OF PAYMENTS**

Owners may pay the property rates monthly or on request annually by application in writing to the CFO, to pay in equal monthly instalments over a period of 11 months.

#### **[7] FREQUENCY OF VALUATIONS**

A municipality must regularly, at least once a year, update its valuation roll by causing a supplementary valuation roll to be prepared, or the valuation roll itself to be amended.

#### **[8] CORRECTION OF ERRORS AND OMISSIONS**

Where the rates levied on a particular property have been incorrectly determined, whether because of an error or omission on the part of the municipality or false information provided by the property owner concerned or a contravention of the permitted use to which the property concerned may be put, the rates payable shall be appropriately adjusted for the period extending from the date on which the error or omission is detected back to the date on which rates were first levied in terms of the current valuation roll.

In addition, where the error occurred because of false information provided by the property owner or as a result of a contravention of the permitted use of the property concerned, interest on the unpaid portion of the adjusted rates payable shall be levied at the maximum rate permitted by prevailing legislation.

#### **[9] COMMUNITY PARTICIPATION**

Before a municipality adopts its Rates Policy, the municipality must follow the process of community participation envisaged in Chapter 4 of the Municipal Systems Act No. 32 of 2000.

#### **[10] DIFFERENTIATION BETWEEN CATEGORIES OF USERS**

A Rates Policy adopted by the Council in terms of Section 3 may differentiate between different categories of properties, and different categories of owners of properties liable for the payment of rates as long as the differentiation does not amount to unfair discrimination.

#### **[11] REVIEW OF RATES POLICY**

The Council must annually review, and amend its Rates Policy when necessary. Any amendments to the Rates Policy must accompany the municipality's annual budget when it is tabled in the Council in terms of the Municipal Finance Management Act.

When the Council decides to amend the Rates Policy, community participation must be allowed for as part of the municipality's annual budget process.

#### **[12] SERVICE AGREEMENTS**

Where a service is provided by a service provider, the Council shall ensure that any agreement for the provision of such a service shall contain a reference to the right of the Council to control the setting and adjustment of rates to be charged by such service provider for the rendering of the service in question in terms of the Rates Policy of the Council.

#### **[13] CONFLICT OF BY LAWS**

If there is any conflict between these by-laws and any other by-law of the Council, these by-laws will prevail.

#### **[14] REPEAL OF COUNCIL RATES BY LAW**

The provisions of any by-law or by-laws relating to rates of Council are hereby repealed.