

Kannaland, South Africa

## Property Rates

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## Property Rates

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# Kannaland South Africa

## Property Rates By-law, 2014

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**Commenced on 1 July 2014**

*[This is the version of this document from 27 June 2014 and includes any amendments published up to 12 April 2024.]*

*[Repealed by Property Rates on 1 July 2019]*

The Kannaland Municipal Council has, under Section 6 of the Local Government: Municipal Property Rates Act, 2004 (Act 6 of 2004), made the by-laws in the schedule hereto.

### 1. Definitions

- (1) In these by-laws, unless the context indicates otherwise-

**“accommodation establishment”** in relation to a property means the supply of overnight facilities to quests and tourist. A guest house can be an existing home from 3 or more rooms specifically designed to provide overnight accommodation

**“agent”**, in relation to the owner of a property, means a person appointed by the owner of the property-

- (a) to receive rental or other payments in respect of the property on behalf of the owner; or
- (b) to make payments in respect of the property on behalf of the owner;

**“property”** means property that is used primarily for agricultural purposes, including the rearing, trading and hunting of game but, without derogating from section 9, the property for the purpose of eco-tourism and any portion thereof that is used for the hospitality of guests

**“agricultural rebate”**, a rebate granted in respect of agricultural properties which are solely used for agricultural purposes;

**“annually”** means once every financial year;

**“business”**, in relation to property, means the use of property for the activity of buying, selling or trading in commodities or services on or from a property and includes any office or other accommodation on the property, the use of which is incidental to such activity, but does not include the business of agriculture, farming, or any other activity consisting of the cultivation of soils, the gathering in of crops, the rearing of livestock and the like;

**“category”** –

- (a) in relation to property, means a category of property determined in terms of section 8 of the Act; and
- (b) in relation to owners of property, means a category of owners determined in terms of section 15(2) of the Act;

**“conservation area”** – a protected area listed in terms of section 10 of the Protected Areas Act, No 52 of 2003;

- (a) a nature reserve established in terms of the Nature and Environmental Conservation Ordinance, no 19 of 1974; or

- (b) any land which is zoned as open space zone II or III in terms of the Municipality's zoning scheme regulations, provided that such protected areas, nature reserves or land, with the exception of tourism facilities that may have been erected thereon, are exclusively utilised for the preservation of fauna and flora and the products of such land are not being traded for commercial gain.

**"date of valuation"** means the date determined by a municipality in terms of section 31(1) of the Act.

**"day"** means when any number of days are prescribed for the performance of any act, those days must be reckoned by excluding the first and including the last day, unless the last day falls on a Saturday, Sunday or any public holiday, in which case the number of days must be reckoned by excluding the first day and also any such Saturday, Sunday or public holiday;

**"effective date"**-

- (a) in relation to a valuation roll, means the date on which the valuation roll takes effect in terms of section 32(1) of the Act; or
- (b) in relation to a supplementary valuation roll, means the date on which a supplementary valuation roll takes effect in terms of section 78(2)(b) of the Act;

**"exclusion"**, in relation to the municipality's rating power, means a restriction of that power as provided for in section 17 of the Act;

**"exemption"**, in relation to the payment of a rate, means an exemption granted in terms of section 15 of the Act;

**"financial year"** means the period starting from 1 July in a year to 30 June of the next year and "year" shall have a corresponding meaning;

**"illegal use"**, means the use of a property in a manner that is inconsistent with or in contravention of the permitted use of the property;

**"improvement"**, means any building or structure on or under a property, but excluding anything that may not be taken into account in determining the market value of a property;

**"Income Tax Act"**, means the Income Tax Act, 1958 ([Act No 58 of 1962](#));

**"indigent person"**, means a person described as such in the municipality's Indigent Policy;

**"industrial"**, in relation to property, means the use of a property for a branch of trade or manufacturing, production, assembly or processing of finished or partially finished products from raw materials or fabricated parts on such a large scale that capital and labour are significantly involved, including any office or other accommodation on the property, the use of which is incidental the use of such factory;

**"land reform beneficiary"**, relation to a property, means a person who-

- (a) acquired the property through-
  - (i) the Provision of Land and Assistance Act, 1993 ([Act No 126 of 1993](#)); or
  - (ii) the Restitution of Land Rights Act, 1994 ([Act No 22 of 1994](#));
- (b) holds the property subject to the Communal Property Associations Act, 1996 ([Act No 28 of 1996](#)); or
- (c) holds or acquires the property in terms of such other land tenure reform legislation as may pursuant to section 25(6) and (7) of the [Constitution](#) be enacted after this Act has taken effect;

**"land tenure right"** means a land tenure right as defined in section 1 of the Upgrading of Land Tenure Rights Act, 1991([Act No. 112 of 1991](#));

**“local community”**, in relation to a municipality—

- (a) means that body of persons comprising—
  - (i) the residents of the municipality;
  - (ii) the ratepayers of the municipality;
  - (iii) any civic organisations and non-governmental, private sector or labour organisations or bodies which are involved in local affairs within the municipality; and
  - (iv) visitors and other people residing outside the municipality who, because of their presence in the municipality, make use of services or facilities provided by the municipality;
- (c) includes, more specifically, the poor and other disadvantaged sections of such body of persons;

**“local municipality”** means a municipality that shares municipal executive and legislative authority in its area with a district municipality within whose area it falls, and which is described in section 155(1) of the [Constitution](#) as a category B municipality;

**“market value”**, in relation to a property, means the value of the property determined in accordance with section 46 of the Act;

**“mining property”** means a property used for mining operations as defined in the Minerals and Petroleum Resources Development Act, 2002 ([Act No 28 of 2002](#))

**“multiple purposes”**, in relation to property, means the use of a property for more than one purpose, ;subject to [section 9](#)

**“municipal council”** or “council” means the municipal council of Kannaland Municipality;

**“municipality”** means when referred thereto as -

- (a) an entity, Kannaland Municipality as a municipality described in Section 2 of the Local Government: Municipal Systems Act, 2000 ([Act 32 of 2000](#)), including a duly authorized official of Kannaland Municipality; and
- (b) a geographical area, the area of jurisdiction of Kannaland Municipality as determined in terms of the Local Government: Municipal Demarcation Act, 1998 ([Act No. 27 of 1998](#)), and Kannaland Municipality” shall have a corresponding meaning;

**“municipal manager”** means the person appointed as such in terms of section 82 of the Local Government : Municipal Structures Act, 1998 ([Act No 117 of 1998](#)) in respect of Kannaland Municipality;

**“Municipal Finance Management Act”**, means the Local Government: Municipal Finance Management Act, 2003 ([Act No 56 of 2003](#));

**“municipal properties”** means properties -

- (a) registered in the name of the municipality in a deeds registry;
- (b) publicly controlled by the municipality; or
- (c) registrable in the name of the municipality at any time at the election of the Municipality due to an entitlement thereto, but excluding property held or controlled by the Municipality in a fiduciary or similar capacity, transferable to a third party at the election of such third party;

**“Municipal Structures Act”**, means the Local Government : Municipal Structures Act, 1998 ([Act No 117 of 1998](#));

**“Municipal Systems Act”**, means the Local Government: Municipal Systems Act, ([Act No 32 of 2000](#));

**“municipal valuer”** or “valuer of the municipality”, means a person designated as a municipal valuer in terms of section 33(1) of the Act;

**“newly rateable property”** means any rateable property on which property rates were not levied before the end of the financial year preceding the date on which the Act took effect, excluding a property which was incorrectly omitted from a valuation roll and for that reason was not rated before that date and any other property identified as such in terms of the Act;

**“occupier”**, in relation to a property, means a person in actual occupation of a property whether or not that person has a right to occupy the property;

**“office bearer”**, in relation to places of public worship, means the primary person who officiates at services at that place of worship;

**“official residence”** in relation to places of public worship, means a single residential property registered in the office of the Registrar of Deeds in the name of a religious community or registered in the office of the Registrar of Deeds in the name of a trust established for the sole benefit of a religious community and used as a place of residence for an office bearer;

**“owner”**—

- (a) in relation to property referred to in paragraph (a) of the definition of “property”, means a person in whose name ownership of the property is registered;
- (b) in relation to a right referred to in paragraph (b) of the definition of “property”, means a person in whose name the right is registered; or
- (bA) in relation to a time sharing interest contemplated in the Property Time-sharing Control Act, 1983 ([Act No. 75 of 1983](#)), means the management association contemplated in the regulations made in terms of section 12 of the Property Time-sharing Control Act, 1983, and published in Government Notice R327 of February 1984;
- (bB) in relating to a share in a share block company, the share block company as defined in the Share Block Control Act, 1980([Act No.59 of 1980](#)) ;
- (bC) in relation to buildings, other immovable structures and infrastructure referred to section in 17(1)(f), means the holder of the mining right or the mining permit.
- (c) in relation to a land tenure right referred to in paragraph (c) of the definition of “property”, means a person in whose name the right is registered or to whom it was granted in terms of legislation; or
- (d) in relation to public service infrastructure referred to in paragraph (d) of the definition of “property”, means the organ of state which owns or controls that public service infrastructure as envisaged in the definition of “publicly controlled” in terms of the Act, provided that a person mentioned below may for the purposes of this Act be regarded by a municipality as the owner of a property in the following cases:
  - (i) A trustee, in the case of a property in a trust excluding state trust land;
  - (ii) an executor or administrator, in the case of a property in a deceased estate;
  - (iii) a trustee or liquidator, in the case of a property in an insolvent estate or in liquidation;
  - (iv) a judicial manager, in the case of a property in the estate of a person under judicial management;
  - (v) a curator, in the case of a property in the estate of a person under curatorship;

- (vi) an usufructuary or other person in whose name a usufruct or other personal servitude is registered in the case of a property that is subject to a usufruct or other personal servitude;
- (vii) a lessee, in the case of a property that is registered in the name of a municipality and is leased by it; or
- (viiA) a lessee, in the case of property to which a land tenure right applies and which is leased by the holder of such right; or
- (viii) a buyer, in the case of a property that was sold and of which possession was given to the buyer pending registration of ownership in the name of the buyer;

**“permitted use”**, in relation to a property, means the limited purposes for which the property may be used in terms of –

- (a) any restrictions imposed by –
  - (i) a condition of title;
  - (ii) a provision of a town planning or land use scheme; or
  - (iii) any legislation applicable to any specific property or properties; or
- (b) any alleviation of any such restrictions;

**“person”**, includes an organ of state; place of public worship” means property used primarily for the purposes of congregation, excluding a structure that is primarily used for educational instruction in which secular or religious education is the primary instructive medium: Provided that the property is–

- (a) registered in the name of the religious community;
- (b) Registered in the name of a trust established for the sole benefit of a religious community; or
- (c) subject to a land tenure right;

**“prescribe”**, means prescribe by regulation in terms of section 83 of the Act;

**“private open space”** means any land which is in private ownership used primarily as a private site for play, rest or recreation without financial gain;

**“property”** means—

- (a) immovable property registered in the name of a person, including, in the case of a sectional title scheme, a sectional title unit registered in the name of a person;
- (b) a right registered against immovable property in the name of a person, excluding a mortgage bond registered against the property;
- (c) a land tenure right registered in the name of a person or granted to a person in terms of legislation; or
- (d) public service infrastructure;

**“property register”** means a register of properties referred to in section 23 of the Act;

**“protected area”** means an area that is or has to be listed in the register referred to in section 10 of the National Environmental Management: Protected Areas Act, 2003 ([Act No 57 of 2003](#));

**“public benefit organisations”** means organisations approved in terms of section (3) of the Income Tax Act;

**“public open space”** means land owned by the municipality, which is not leased on a long term basis, and which is set aside for the public as open area;

**“public service infrastructure”** means publicly controlled infrastructure of the following kinds:

- (a) national, provincial or other public roads on which goods, services of labour move across a municipal boundary;
- (b) water or sewer pipes, ducts or other conduits, dams and water supply reservoirs, water treatment plants or water pumps forming part of a water or sewer scheme serving the public;
- (c) power stations, power substations or power lines forming part of an electricity scheme serving the public;
- (d) gas or liquid fuel plants or refineries or pipelines for gas or liquid fuels forming part of a scheme for transporting such fuels;
- (e) railway lines forming part of a national railway system;
- (f) communication towers, masts, exchanges or lines forming part of a communication system serving the public;
- (g) runways, aprons and the air traffic control unit at national or provincial airports, including the vacant land known as the obstacle freezone surrounding these, which must be vacant for air navigation purposes;
- (h) breakwaters, sea walls, channels, basins, quay walls, jetties, roads, railway or infrastructure used for the provision of water, lights, power, sewerage or similar services of ports, or navigational aids comprising any device or system used to assist the safe and efficient navigation of vessels;
- (i) any other publicly controlled infrastructure as may be prescribed; or
- (j) a right registered against immovable property in connection with infrastructure mentioned in paragraphs (a) to (i).

**“rate”** means a municipal rate on property envisaged in section 229(1)(a) of the [Constitution of the Republic of South Africa, 1996 \(Act No 108 of 1996\)](#);

**“ratepayer”** means a person who is liable, in terms of the Act, for the payment of rates on property levied by the municipality;

**“rateable property”** means property on which the municipality may in terms of section 2 of the Act levy a rate, excluding property fully excluded from the levying of rates terms of section 17 of the Act;

**“ratio”**, in relation to section 19, means the relationship between the cent amount in the Rand applicable to residential properties and non-residential properties: Provided that the two relevant cent amounts in the Rand are inclusive of any relief measures that amount to rebates of a general application to all properties within a property category;

**“the rates policy”** means Council’s rates policy in terms of section 3 of the Act;

**“rebate”**, in relation to a rate payable on a property, means a discount on the amount of the rate payable on the property;

**“reduction”**, in relation to a rate payable on a property, means the lowering of the amount for which the property was valued and the rating of the property at that lower amount;

**“residential”**, in relation to property, means a property having a suite of rooms which forms a living unit that is exclusively used for human habitation purposes or a multiple number of such units, but does not include a hotel, commune, accommodation establishment, guesthouse, boarding or lodging undertaking, hostel or suchlike properties;

**“residential property”** means a property included in a valuation roll in terms of section 48(2)(b) of the Act in respect of which the primary use or permitted use is for residential purposes without derogating from [section 9](#)



“**Sectional Titles Act**”, means the Sectional Titles Act, 1986 ([Act No 95 of 1986](#));

“**sectional title scheme**”, means a scheme defined in section 1 of the Sectional Titles Act;

“**sectional title unit**”, means a unit defined in section 1 of the Sectional Titles Act;

“**specified public benefit activity**” means an activity listed in item 1 (welfare and humanitarian), item 2 (health care), item 4 (education and development), item 6 (cultural) , item 7 (conservation, environment and animal welfare), item 9 (sport) of the Ninth Schedule to the Income Tax Act;

“**state-owned properties**” means properties owned by the State, which are not included in the definition of public service infrastructure in the Act;

“**the Act**” means the Local Government : Municipal Property Rates Act, 2004 ([Act No. 6 of 2004](#)).

“**vacant land**” means property on which no immovable improvements have been erected : Provided that improvements for the supply of water, electricity, sewer and suchlike services to the property and negligible improvements shall be disregarded for purposes of determining whether or not property is vacant;

“**urban conservation area**” means an area defined in the relevant Zoning Scheme Regulations as a “Conservation Area”, the aim of which is to retain the unique character or the aesthetical sensitive arrears of the Kannaland Municipality by the control of building design and building lines in the case of new buildings or even not built upon and also in the case of existing buildings to be replaced, altered or extended.

- (2) Words and expressions to which a meaning has been assigned in the Act shall bear the same meaning in these By-laws.
- (3) In these By-laws, a word or expression derived from a word or expression defined in subsection (1) shall have a corresponding meaning unless the context indicates that another meaning is intended.
- (4) These By-laws must be read with the Act, the Regulations made under the Act and the Rates Policy. In the event of any inconsistency between these By-laws and the Act or the Regulations, the latter shall prevail and in the event of any inconsistency between these By-laws and the Rates Policy, these By-laws shall prevail.

## 2. Rates policy

- (1) The Council must, by resolution, adopt a policy on the levying of rates on rateable property in the municipality.
- (2) The rates policy adopted by the Council must comply with the provisions of the Act.
- (3) The municipality must levy rates in accordance with the Act, these By-laws and the rates policy referred to in subsection (1).

## 3. Rates principles

- (1) The rates levied by the municipality must comply with the following principles:
  - (a) All ratepayers within a specific category, as determined by the Council from time to time, must be treated equitably.
  - (b) A fair and transparent system of exemptions, rebates and reductions must be adopted and implemented by the municipality;
  - (c) Relief measures in respect of the payment of rates may not be granted on an individual basis, other than by way of exemption, rebate or reduction;
  - (d) Exemptions, rebates and reductions must be used to alleviate the rates burden on –
    - (i) the poor;

- (ii) public benefit organisations; and
- (iii) public service infrastructure.
- (e) Provision must be made for the promotion of local, social and economic development.

#### 4. Determination of rates

- (1) The Council may -
  - (a) by resolution supported by a majority of the members of the Council levy rates on rateable property in the municipality;
  - (b) from time to time by resolution amend such determination and determine the date on which such determination or amendment shall come into operation.

#### 5. Categories of property

- (1) For the purpose of levying different rates on different categories of property, the Council must -
  - (a) determine different categories of property; or
  - (b) provide criteria for determining different categories of property.
- (2) The different categories of property determined by the Council in terms of subsection (1)(a) or the criteria for determining different categories of property in terms of subsection (1)(b) must be specified in the rates policy adopted by the Council in terms of [section 2\(1\)](#).
- (3) The different categories of property determined by the Council in terms of subsection (1)(a) may include, but are not limited to the following:
  - (a) Residential properties.
  - (b) Industrial properties.
  - (c) Business and commercial properties.
  - (d) Accommodation establishments.
  - (e) Agriculture properties used for-
    - (i) agricultural purposes;
    - (ii) business and commercial purposes;
    - (iii) residential purposes;
    - (iv) eco-tourism or conservation; or
    - (v) trading in or hunting of game.
  - (f) Farm properties not used for any identified purpose;
  - (g) State-owned properties used to -
    - (i) provide local services;
    - (ii) provide provincial / national services.
  - (h) Municipal properties;
  - (i) Public service infrastructure;
  - (i) Public open spaces;
  - (j) Private open spaces;

- (k) Privately owned towns serviced by the owner.
  - (l) Formal and informal settlements.
  - (m) Communal land as defined in the Communal Land Rights Act, 2004 ([Act No 11 of 2004](#));
  - (n) State trust land.
  - (o) Properties-
    - (i) acquired through the Provision of Land and Assistance Act, 1993 ([Act No 126 of 1993](#)) or the Restitution of Land Rights Act, 1994 ([Act No 22 of 1994](#)); or
    - (ii) subject to the Communal Property Associations Act, 1996 ([Act No 28 of 1996](#)).
  - (p) Protected areas.
  - (q) Properties on which national monuments are proclaimed.
  - (r) Properties owned by public benefit organisations used for public benefit activities in terms of the Ninth Schedule to the Income Tax Act.
  - (s) Properties used for multiple purposes.
  - (t) Urban conservation areas.
  - (v) Developed non-urban land.
  - (w) Vacant land.
  - (w) Place of Workshop
  - (y) Old Age Homes
  - (z) Museum
- (4) The criteria for determining different categories of property in terms of subsection (1)(b) may include, but are not limited to the following :
- (a) the actual use of the property;
  - (b) the permitted use of the property;
  - (c) the size of the property;
  - (d) the geographical area in which the property is located.
- (5) Should any doubt arise regarding the category to which a particular property or group of properties belong, the Council or a person or persons designated by the Council shall, after having considered representations by the person or persons having a direct interest in the property or properties, determine the category to which the property or properties concerned belong?

## 6. Categories of owners

- (1) For the purpose of levying rates on different categories of property or for the purpose of granting exemptions, rebates or reductions, the Council must –
  - (a) determine different categories of owners of property; or
  - (b) provide criteria for determining different categories of owners of property.
- (2) The different categories of owners of property determined by the Council or the criteria for determining different categories of owners of property must be specified in the rates policy adopted by the Council.

- (3) The different categories of owners of property determined by the Council in terms of subsection (1) (a) may include, but are not limited to the following:
  - (a) indigent persons;
  - (b) owners dependent on pensions or social grants for their livelihood;
  - (c) owners temporarily without income;
  - (d) owners of property situated within an area affected by-
    - (i) a disaster within the meaning of the Disaster Management Act, 2002 ([Act No 57 of 2002](#));
    - (ii) any other serious adverse social or economic conditions;
  - (e) owners of residential properties with a market value lower than an amount determined by the municipality; or
  - (f) owners of agricultural properties who are bona fide farmers.
- (4) The criteria for determining different categories of owners of property in terms of subsection (1)(b) may include, but are not limited to the following criteria :
  - (a) income of owner of property;
  - (b) source of income of owner of property;
  - (c) occupation of owner of property;
  - (d) market value of the property;
  - (e) use of the property;
  - (f) disasters or other serious adverse social or economic condition.

## 7. Properties used for multiple purposes

- (1) The Council must determine the criteria in terms of which multiple use properties must be rated.
- (2) The criteria determined by the Council in terms of subsection (1) must be specified in the rates policy adopted by the Council.
- (3) The criteria determined by the Council in terms of subsection (1) must be either –
  - (a) the permitted use of the property;
  - (b) the dominant use of the property; or
  - (c) the multiple uses of the property.
- (4) If the criterion set out in subsection (3)(c) is adopted by the Council, the rates levied on multiple use properties must be determined –
  - (a) by apportioning the market value of such a property to the different purposes for which the property is used; and
  - (b) by applying the relevant cent amount in the Rand to the corresponding apportioned market value.

## 8. Liability for rates

- (1) Rates shall be payable on a monthly basis by not later than the day of every month provided for in terms of the policy : Provided that rates may in terms of an agreement with the municipality

be paid in full annually before 30th September of the year in which it is levied, provided that application be made for this alternative as provided for in the rates policy.

- (2) In the event that a property has been transferred to a new owner and an interim valuation took place, the previous owner as well as the new owner will jointly and severally be liable for settling the interim rates account.
- (3) The levies payable in respect of properties which are to be transferred to or which will vest in the Municipality arising from developments, i.e. open spaces and roads, shall up to the date of transfer to the municipality be for the account of the developer, pro rated for any portion of a year.
- (4) Rates clearance certificates for property transfer purposes will only be valid until 30th June if the rates have been paid in full up to that date. No extension of the period of validity of a rates clearance certificate will exceed 60 days beyond 30 June : Provided that no extension will be granted in respect of a period after 30th June if the new year's rates have not been paid in full.
- (5) Interest at 1% above the prime interest rate charged by the Municipality's principal bank from time to time shall be payable on all rates not paid on the specified date.
- (6) A person liable for a rate must furnish the municipality with that person's postal address"

## 9. Differential rating

- (1) Different categories of properties may pay different rates in the rand based on the market value of their properties.
- (2) The criteria to be applied by the municipality for the levying of different rates for different categories of properties may include, but are not limited to the following:
  - (a) the nature of the property;
  - (b) the sensitivity of the property to rating;
  - (c) the extent to which the property has been developed;
  - (d) the promotion of social and economic development;
  - (e) the geographical location of the property.
- (3) For purposes of levying different rates on different categories of properties, the method in terms of which different rates may be levied against different categories of property must be based on the following:
  - (a) setting a different cent amount in the Rand for each category of property;
  - (b) granting rebates for different categories of property; or
  - (c) granting reductions for different categories of property.
- (4) The rate payable by agricultural and public sector infrastructure properties will be equal to seventy five percent (75%) of the residential rate payable. The differential rate will be calculated as follows:
  - (a) a 5% differential due to the fact that the municipality does not provide municipal roads;
  - (b) a 5% differential due to the fact that the municipality does not provide sewerage services;
  - (c) a 5% differential due to the fact that the municipality does not provide electricity services;
  - (d) a 10% differential due to the fact that the municipality does not provide water services;
  - (e) a 10% differential due to the fact that the municipality does not provide refuse removal services;
  - (f) a 10% differential due to the fact that the farm owner supplies 1 to 10 houses to farm workers;

- (g) a 20% differential due to the fact that the farm owner supplies more than 10 houses to farm workers;
- (h) a 10% differential due to the fact that the owner supplies work opportunities for less than 10 permanent farm workers;
- (i) a 20% differential due to the fact that the farm owner supplies work opportunities for more than 10 permanent farm workers.

**Only one of (f) & (g) can be applicable**

**Only one of (h) & (i) can be applicable**

## 10. Zoning and usage for rates purposes

The rates tariffs on a property will be applicable for the zoning or usage of a property. Therefore, if a property is zoned as a business, the business tariff will apply.

## 11. Exemptions

- (1) If the municipality chooses to exempt the owners of any specific category of property or any specific category of owners of property from the payment of rates, it must exercise its power in accordance with the criteria determined by the Council in terms of Section 3(3)(b)(ii) of the Act.
- (2) The criteria which must be determined by the Council in terms of [Section 3\(3\)\(b\)\(ii\)](#) may include, but are not limited to the following:
  - (a) age of the owner of the property;
  - (b) income of the owner of the property;
  - (c) source of the income of the owner of the property;
  - (d) economic, physical and social condition of the property;
  - (e) public service infrastructure;
  - (f) property use for specified public benefit activities;
  - (g) market value of the property;
  - (h) in respect of properties used for agricultural purposes, the criteria set out in section 3(4) of the Act.
- (3) To the extent to which the levying of rates on certain properties are impermissible in terms of section 17 of the Act and this policy provides for a rebate in respect of such a property, the rebate shall be deemed to be included in the exemption afforded by [section 17](#) and shall not be allowed in addition thereto. This is an important part of the Council's indigent policy and is aimed primarily at alleviating poverty. All improved residential and informal properties with a market value less than R40 000 are exempted from paying rates., The R15 000 impermissible rates contemplated in terms of Section 17 of the Act is included in the R40 000 amount.
- (4) All vacant land properties does not qualify for the R15 000 impermissible rates contemplated in terms of Section 17 of the Act.

## 12. Rebates

- (1) If the municipality chooses to grant a rebate to a specific category of property or to a specific category of owners of property from the payment of rates, it must exercise this power in accordance with the criteria determined by the Council in terms of section 3(3)(b)(iii) of the Act.

- (2) The criteria which must be determined by the Council in terms of section 3(3)(b)(iii) of the Act may include, but are not limited to the following:
  - (a) age of the owner of the property;
  - (b) income of the owner of the property;
  - (c) nature of the property;
  - (d) ownership of the property;
  - (e) market value of the property;
  - (f) property used for specified public benefit activities;
  - (g) extent to which municipal services are provided to the property;
  - (h) extent to which the property contributes to local, social and economic development;
  - (i) in respect of properties used for agricultural purposes, the criteria set out in section 3(4) of the Act.

### **13. Reductions**

- (1) If the municipality chooses to grant a reduction to a specific category of property or to a specific category of owners of property from the payment of rates, it must exercise this power in accordance with the criteria determined by the Council in terms of section 3(3)(b)(iii) of the Act.
- (2) The criteria which must be determined by the Council in terms of section 3(3)(b)(iii) of the Act may include, but are not limited to the following:
  - (a) fire damage;
  - (b) demolition;
  - (c) flood damage;
  - (d) earthquake;
  - (e) natural disasters.

### **14. Phasing-in of certain rates**

Unless otherwise decided by the Council from time to time and subject to any other provisions hereof, the property owners who qualify for phasing-in discounts in terms of Section 21 of the Act shall be granted the minimum discounts provided for in Section 21 : Provided that such discounts shall not be allowed in addition to any rebates or reductions otherwise provided for in this policy in respect of the categories of properties concerned.

### **15. Process of granting exemptions, rebates and reductions**

- (1) Applications for exemptions, rebates and reductions must be made in accordance with the procedures and within the time-limits determined by the Council and set out in the rates policy.
- (2) The municipality shall be entitled to refuse an application for an exemption, rebate or reduction if the details supplied in support of an application are incomplete, incorrect or false : Provided that if the incorrectness or falsity is detected after the application has been granted, the municipality may by notice in writing to the ratepayer withdraw the exemption, rebate or reduction with retrospective effect and the ratepayer shall on demand pay to the municipality all amounts he would otherwise have had to pay had it not been for the exemption, rebate or reduction.

- (3) Should an illegal use occur in respect of a property or any part thereof, such property (or the registered owner thereof) shall not qualify for any rebate or reduction that may otherwise be applicable to such property or person.

made annually in accordance with section 79 of the Act, and only the electronic copy of the valuation roll need to be updated.

## **17. Rates increases**

- (1) Subject to and in conformity with the Act, the municipality may increase the rates it levies on property in the municipality.
- (2) The criteria which must be determined by the Council in terms of section 3(3)(b)(iv) of the Act may include, but are not limited to the following:
- (a) priorities of the municipality reflected in its integrated development plan;
  - (b) the revenue needs of the municipality;
  - (c) the need for the management of rates increases;
  - (d) affordability of rates to ratepayers.

## **18. Short title**

These By-Laws are called the Kannaland Municipality Property Rates By-Laws.