

## Rates and taxes

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)(ii) and 11(3)(i) of the Local Government: Municipal Systems Act 32 of 2000 ("the Systems Act") and Section 24(2)(c)(i) of the Local Government: Municipal Financial Management Act 56 of 2003 ("the MFMA"), the following rates in the Rand be levied by the City of Johannesburg Metropolitan Municipality ("the Council") for the financial year 1 July 2009 to 30 June 2010, 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	Cents in the Rand
(a) Business , commercial and industrial	0,0154
(b) residential property	0,0044
(c) residential property with consent use	0,0088
(d) municipal property : not rateable	0
(e) municipal property : rateable	0,00528
(f) property owned by the State or an organ of state	0,0066
(g) farming land used for bona fide farming	0,0044
(h) public service infrastructure	0
(i) property used for multiple purpose tariff for highest authorized use unless sectionalised for partial residential in which case the residential tariff shall apply to units used for residential purposes.	
(j) agricultural holdings used for agricultural purposes	0,0044
(k) vacant land irrespective of zoning	0,0176
(l) mining property	0,0154
(m) education	0,0044
(n) religious	0
(o) special      Applicable tariff for the determined use of such property	

- 2 That the rates so 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 in terms of paragraph 16(3)(b) of the Council's Property Rates Policy interest be charged on rates not paid on or before the fixed days, at the rate determined by the Council from time to time.
- 4 That in terms of Section 15(1)(b) of the Act read with Sections 9 and 10 of the Council's Property Rates Policy, the Council grants, subject to paragraph (5) below, the following rebates on the rate levied for the financial year 2009/2010 to any owner of rateable property in the following circumstances:
  - (a) Residential property owned and occupied by natural persons who have limited income and who are not pensioners but can show that his or her annual income falls below the limit determined by Council from time to time in terms of the Expanded Social Package: dependent on points rating
  - (b) Residential property owned and occupied by natural persons who are dependent on a State social security grant in terms of the Social Assistance Act 59 of 1992 as their sole source of income: 100%
  - (c) Residential property owned and occupied by pensioners who are not persons contemplated in paragraph (b), if the total income of the household does not exceed the maximum of R5 300 per month over the previous income tax year: 100%
  - (d) Residential property owned and occupied by pensioners who are not persons contemplated in paragraph (b), if the total income of the household does exceed the average of R5 300 per month over the previous income tax year but does not exceed the maximum of R9 600 per month over the previous income tax year: 50%:

Provided that the rebate contemplated in subparagraphs 4(a)-(d) above shall only be granted where:

    - (i) the market value of the property as recorded in the prevailing valuation roll does not exceed R1 500 000 and in the case of a pensioner, such pensioner has attained the age of 60 years or older; and in the case of dual ownership at least one of the owners has attained the age of 60 years or older; and
    - (ii) the property owner personally occupies the property.
  - (e) Properties owned by organisations that are registered in terms of the Housing Development Schemes for Retired Persons Act: 50%
  - (f) Property owned by institutions which provide education and / or student accommodation at –

- (i) public schools not qualifying for a rebate in terms of paragraph (g) below: 50%
  - (ii) independent schools not qualifying for a rebate in terms of paragraph (g) below: 50%
  - (iii) universities not qualifying for a rebate in terms of paragraph (g) below: 20%
  - (iv) technical and other colleges not qualifying for a rebate in terms of paragraph (g) below: 20%
- (g) Property owned by public benefit 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, namely welfare and humanitarian-, health care and education- and development organisations: 100%
  - (h) Property owned by private sports clubs that are used primarily for sports purposes: 40%
  - (i) Property in the inner city which is not sectionalised and used with 80% residential and 20% commercial use: 40%
  - (j) Property declared as heritage sites in terms of Section 27, 28 and 31 of the National Heritage Resources Act 25 of 1999: 20%
  - (k) Property used for bona fide farming purposes: Maximum of 55%
  - (l) Residential Sectional Title units: 20%
  - (m) Property registered in the name of an institution or organisation which has as its exclusive objective the protection of animals: 100%
  - (n) Property registered in the name of an institution or organisation which has as its exclusive objective the provision and/ or promotion of youth development programmes: 100%
  - (o) Property that is vacant but that may not be developed as a direct result of the inability of Council to provide services, subject to the owner to provide written confirmation from the service entity stating that no development to be allowed for the duration of the ensuing financial year, as a result of lack of services: 50% of the vacant land tariff.

Provided that:

- (aa) the first R150 000 of the value of all residential property shall be exempted from rating, subject to paragraph 5 below; and
- (bb) in instances where more than one rebate may be applicable, the heritage site rebate will take precedence, thereafter the sectional title rebate and then a further rebate based on ownership of property each

calculated on the nett amount payable after deduction of each preceding rebate, as may be applicable.

- (5) That notwithstanding the provisions of paragraphs 4(a)–(o) above, all rateable property as defined in the Act, excluding property registered in the name of residents as defined in the Council's Expanded Social Package and other properties that qualify for 100% rebate such as Public Benefit Organisations or owners dependent on a social security grant or qualifying pensioners who earn up to R5 300 per month shall be subject to the payment of a minimum property rate of R60 (Sixty Rand) per annum.
- (6) That in terms of 75A(3)(a), (b) and (c) of the Systems Act the City of Johannesburg:
  - (i) displays a copy of the resolution and notice in the manner prescribed;
  - (ii) seeks to convey to the local community by means of radio broadcast covering the area of the City, the information contemplated in Section 75A(3)(c) of the Systems Act; and
- (7) That the amended property rates tariffs be published in the Provincial Gazette and be effective from 1 July 2009.
- (8) That a copy of the notice referred to in paragraph 6(i) above be sent forthwith to the MEC for Local Government as well as the National and Provincial Treasury in terms of Section 75A(4) of the Systems Act.