

ANNEXURE A : PRO-FORMA REPORT TO COUNCIL TO SECURE COUNCIL APPROVAL FOR APPLICATION ON EXISTING TAXES TO THE MINISTER OF FINANCE TO COMPLY WITH THE REQUIREMENTS OF SECTION 12 OF THE MFPFA

Section 12 of the Municipal Fiscal Powers and Functions Act (MFPFA) requires a municipality to apply to the Minister of Finance for any taxes, other than property rates, the former RSC levies and any surcharges on user charges/tariffs that it levied prior to the Act. Such an application must be done within 2 years of the enactment, i.e. prior to 07 September 2009, i.e. by 06 September 2009.

Should a municipality have any taxes (other than property rates and surcharges on a user charge/tariff) and no application is made by a municipality to the Minister of Finance to continue imposing taxes that existed prior to the Act, such municipal taxes will automatically lapse on 07 September 2009. Should the Minister of Finance not approve the continuation of a municipal tax, such municipal tax will lapse six months after the Minister’s notification.

As not all taxes are necessarily defined as a tax in the financial statements/records of municipalities, the National Treasury has developed a pro-forma application to assist municipalities in identifying such taxes. Through this process the municipalities can either identify that it had taxes in place other than property rates and any surcharges on user charges/tariffs, or it can identify that it has no taxes in place other than those already legislated/regulated. It is compulsory for a municipality to make an application when there are any unregulated/legislative taxes.

In completing the pro-forma application designed by NT, the municipality has identified the following taxes that existed prior to the Act:

List of taxes w.r.t. section 12 of the MFPFA

Section 1A Taxes (as completed in question 1-A4)	1.
	2.
	3.
	4.
	5.
Section 1B Taxes (as completed in question 1-B4)	1.
	2.
	3.
	4.
	5.

Section 1C Taxes (as completed in question 1-C4)	1.
	2.
	3.
	4.
	5.
Section 2A Taxes (as completed in question 2-A8)	1.
	2.
	3.
	4.
	5.
Section 2B Taxes (as completed in question 2-B8)	1.
	2.
	3.
	4.
	5.
Section 2C Taxes (as completed in question 2-C8)	1.
	2.
	3.
	4.
	5.
Section 2D Taxes (as completed in question 2-D8)	1.
	2.
	3.
	4.
	5.
Section 3A Taxes (as completed in question 3-A4)	1.
	2.
	3.
	4.
	5.
Section 3B Taxes (as completed in question 3-B5)	1.
	2.
	3.
	4.
	5.
All Section 4 Taxes (all taxes completed in section 4A3)	1.
	2.
	3.
	4.
	5.

The Council hereby approves that the completed application, as signed off by the Municipal Manager and the Chief Financial Officer, serves as the formal application to be submitted to the Minister of Finance for consideration. The Council further resolves that the taxes that are listed above are the only taxes (other than property rates and surcharges included in a user charge/tariff) levied by the municipality that existed prior to the enactment of the Municipal Fiscal Powers and Functions Act.

Date of Council Resolution: _____

Council Stamp

