



KWAZULU-NATAL PROVINCE  
KWAZULU-NATAL PROVINSIE  
ISIFUNDAZWE SAKWAZULU-NATALI

**Provincial Gazette • Provinsiale Koerant • Igazethi Yesifundazwe**

**GAZETTE EXTRAORDINARY—BUITENGEWONE KOERANT—IGAZETHI EYISIPESHELI**

*(Registered at the post office as a newspaper) • (As 'n nuusblad by die poskantoor geregistreer)  
(Irejistiwee njengephephandaba eposihhovisi)*

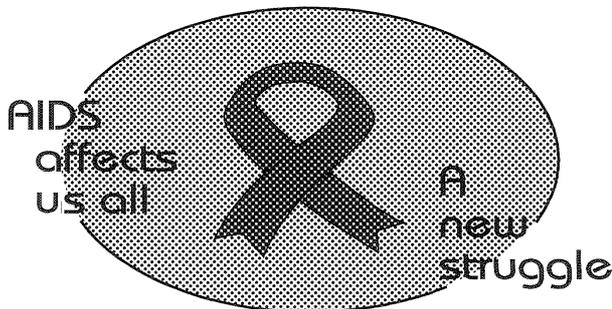
**Vol. 5**

**PIETERMARITZBURG,**

18 AUGUST 2011  
18 AUGUSTUS 2011  
18 kuNCWABA 2011

**No. 619**

**We all have the power to prevent AIDS**



**AIDS  
HELPLINE**

**0800 012 322**

DEPARTMENT OF HEALTH

**Prevention is the cure**

*N.B. The Government Printing Works will not be held responsible for the quality of "Hard Copies" or "Electronic Files" submitted for publication purposes*



**IMPORTANT NOTICE**

The Government Printing Works will not be held responsible for faxed documents not received due to errors on the fax machine or faxes received which are unclear or incomplete. Please be advised that an "OK" slip, received from a fax machine, will not be accepted as proof that documents were received by the GPW for printing. If documents are faxed to the GPW it will be the sender's responsibility to phone and confirm that the documents were received in good order.

Furthermore the Government Printing Works will also not be held responsible for cancellations and amendments which have not been done on original documents received from clients.

---

**CONTENTS**

<i>No.</i>		<i>Page</i>
	<b>MUNICIPAL NOTICE</b>	
88	The Msunduzi Municipality: Levying of property rates for the 2011/2012 Financial Year .....	3

---

---

**MUNICIPAL NOTICE**

---

**No. 88****18 August 2011**

**THE MSUNDUZI MUNICIPALITY**  
**REPORT BY**  
**CHIEF FINANCIAL OFFICER**  
**TO**  
**THE MSUNDUZI MUNICIPAL COUNCIL COMMITTEE**

**Date: 29 JUNE 2011**

**LEVYING OF PROPERTY RATES FOR THE 2011/2012 FINANCIAL YEAR**

**1. PURPOSE OF REPORT**

To advise Council that the wording contained in the "Resolution To Recommend To The Full Council", of The Executive Committee's meeting of the 28 April 2011 in respect of Property Rates, is incorrect and that the Property Rates tariff structure is incomplete.

**2. BACKGROUND**

On the 28 April 2011, Councils Operating and Capital Budget 2011/2012 outlaying Tariff increases in respect of Services and Property Rates were tabled before The Executive Committee of Council. The Executive Committee resolved to recommend to the Full Council the Services and Property Rates tariff increases for the 2011/2012 financial year.

**3. SITUATIONAL ANALYSIS**

It is acknowledged that the wording of point 9(a) (vii) That the property Rates revenue be capped at the following percentages, viz, is incorrect and that the structure of the tariff increases as contained in points a, b, c, and d which follow on from (vii) are incomplete.

**4. STRATEGIC EXECUTIVE/ EXECUTIVE MANAGER'S COMMENT**

**5. LEGAL IMPLICATIONS (COMMENTS: EXECUTIVE MANAGER; LEGAL SERVICES AND LEGISLATIVE COMPLIANCE)**

## **6. FINANCIAL IMPLICATIONS (COMMENTS: CHIEF FINANCIAL OFFICER)**

The present resolution in respect of the Property Rates tariff structure is in contravention of the Municipal Property Rates Act and may lead to the Council not enforcing a tariff increase in respect of Property Rates, should the resolution be challenged.

## **7. RECOMMENDATIONS**

That Full Council adopts the following recommendations:-

EXTRACT FROM MNUTES OF THE EXECUTIVE COMMITTEES MEETING HELD ON 28 APRIL 2011

### **9. OPERATING AND CAPITAL BUDGET 2011/2012 (3.7.1 [2011/2012].**

- (i) Report dated 26 April 2011 by Municipal Manager (Acting).
- (ii) Separate schedules related to the budget as per National Treasury requirements.
- (iii) Tariff document for 2011/2012.

(Tabled at the meeting)

It was

### **RESOLVED TO RECOMMEND TO THE FULL COUNCIL**

- (a) That the budget for 2011/2012 be approved as follows, subject to any appropriate amendments which may be considered, viz.
  - (i) That the increase in the electricity bulk tariff be 21.6%
  - (ii) That the increase in the electricity: all other tariffs be 23.3%
  - (iii) That the increase in the water tariff be 8%
  - (iv) That the increase in the sewer tariff be 8%
  - (v) That the increase in the refuse tariff be 8%
  - (vi) That the increase in the landfill site tariff be 8%
  - (vii) That Rate Randages be set at 0.0104 in the Rand for domestic properties and 0.0183 in the Rand for Non-residential properties
  - (viii) That the increase on Other Tariffs in general be 8% but more so where such tariff was not market related.
  
- (b) That the Capital budget for 2011/2012 in the amount of R411 313 000 be approved.

- (c) A general Rate assessed in terms of The Municipal Property Rates Act on the valuation of all Rateable Property within the area of its jurisdiction at 0.0189 cents in the Rand, and subject to:-

	Cents in the R
<b>1. A GENERAL RATE, as assessed in terms of The Local Government</b>	
Municipal Property Rates Act 6 of 2004	0.0189
(a) <u>Vacant Land</u> – no rebate granted (net)	0.0189
(b) <u>Unauthorised Use</u> – no rebate granted (net)	0.0189
<b>2. REBATES:</b>	
<u>Residential Property</u>	
(a) A rebate on the valuation of rateable property	0.0085
Rate Randage – after rebate (net)	0.0104
<u>Other Properties</u>	
(b) A rebate on the valuation of rateable property	0.0006
Rate Randage - after rebate (net)	0.0183
<u>Agricultural Property</u>	
(c) A rebate on the valuation of rateable property	0.0163
Rate Randage – after rebate (net)	0.0026
<u>Public Service Infrastructure</u>	
(d) A rebate on the valuation of rateable property	0.0163
Rate Randage – after rebate (net)	0.0026
<u>Rural Communal Property</u>	
(e) A rebate on the valuation of rateable property	0.0028
Rate Randage – after rebate (net)	0.0161
<u>Home Business and DSF Properties</u>	
(f) A rebate on the valuation of rateable property	0.0028
Rate Randage – after rebate (net)	0.0161

Sectional Title Garages – Separately Registered

(g) A rebate on the valuation of rateable property	0.0085
Rate Randage – after rebate (net)	0.0104

Mining

(h) A rebate on the valuation of rateable property	0.0006
Rate Randage – after rebate (net)	0.0183

**3. OTHER REBATES:**Impermissible and Free Value based rebates

- (i) No rates shall be levied on the market value of the first R15 000 of residential property  
A rebate of 100% will be granted on all residential property from a value of R15 001 to a value of R150 000.

Aged Persons Rebate

(j) Occupier Owner Applicants	
Female - 60 years and over	
Male – 63 years and over	
Total monthly income of the applicant, spouses and occupants from all sources must not exceed	R2, 896
%tage Rebate	33.3%
Or	
Total monthly income of the applicant, spouses and occupants from all sources must not exceed	R2, 280
%tage Rebate	40% max.

Indigent Owners

- (k) All residential properties within the area of jurisdiction of The Msunduzi Municipality in the Valuation Roll with a value equal to or less than R150 000 shall receive a rebate of 100% noting that other eligible persons for indigent recognition shall have to make application to the Chief Financial Officer.

Public Benefit Activity

(l) Impermissible	75% of residential rate
Rates rebate on balance	100%

Listed Buildings

- (m) Rates rebate after primary rebate on Listed Buildings 40% max.

Penalties

- (n) That with regard to Rates penalties as approved by Council, the interest penalty continues to be raised on the same basis as currently with the collection penalty being raised two months after the due date of the last monthly installment.

**4. GENERAL NOTE**

1. That with regard to the above tariffs and Rates, the Chief Financial Officer cause the notices referred to in Section 75(A) of the Municipal Systems Act to be published in a newspaper and displayed at the offices of the Acting Municipal Manager on the 1<sup>st</sup> Floor, City Hall, Pietermaritzburg, the offices of the Acting Chief Financial Officer, 8<sup>th</sup> Floor, Professor Nyembezi Building, Pietermaritzburg, and at the satellite offices and Municipal libraries.
2. That the Chief Financial Officer be authorized to publish the tariffs, charges and budget information on whatever basis is to the Councils best advantage.
3. That the Chief Financial Officer sends copies of the notices to the Minister of Provincial and Local Government as determined by the Act.
4. That in terms of Section 13 and 14 of the Local Government: Municipal Property Rates Act 6 of 2004, the Rates payable in respect of the 2011/2012 financial year ending 30 June 2012, shall be payable one month after the first publication of the notice issued in terms of Sections 13 and 14 of the aforementioned Act.
5. That in terms of Section 26 of the Local Government: Municipal Property Rates Act 6 of 2004, all classes of Ratepayers shall pay the aforementioned Rates in respect of the financial year ending 30 June 2012 in twelve equal monthly installments.
6. That in terms of Section 27 of the Local Government: Municipal Property Rates Act 6 of 2004, the final date by which each monthly installment is payable has been fixed as follows:-

<u>Installment</u>	<u>Final Date</u>
July 2011	31 August 2011
August 2011	30 September 2011
September 2011	31 October 2011
October 2011	30 November 2011
November 2011	31 December 2011
December 2011	31 January 2012
January 2012	29 February 2012

February 2012	31 March 2012
March 2012	30 April 2012
April 2012	31 May 2012
May 2012	30 June 2012
June 2012	31 July 2012

7. That the due date for payment of the final monthly Rates installment be the thirty first (31) July 2012.
8. No rebates on Listed Buildings and Public Benefit Activity properties will be granted to ratepayers where any arrears are outstanding on the property for rates and services.
9. Newly Incorporated Properties will be phased in over three years and a rebate of 25% will be granted in this financial year in terms of the Municipal Property Rates Act.
10. Rural Communal Properties will be phased in over four years and a rebate of 50% will be granted in this financial year.
11. No rates will be levied on property owned and occupied by The Msunduzi Municipality.
12. Properties that were not previously rated in terms of the Local Authorities Ordinance, that do not qualify in terms of the MPRA or other Council criteria as a place of worship or public benefit organization, will be rated in terms of their current use category and continue to be phased in according to the MPRA

A phase in rebate of 50% will apply for the current financial year.

\_\_\_\_\_  
Generator of Report

**Vinay Maharaj**

**Executive: Revenue Management (Acting)**

\_\_\_\_\_  
Acting Chief Financial Officer

**Neville Sarawan**

\_\_\_\_\_  
Acting Municipal Manager

**Thokozani Shadrack Maseko**

\_\_\_\_\_  
City Administrator

**(Insert Name & Surname)**