

## 1. BUDGET RELATED RESOLUTIONS

### RECOMMENDATIONS

- (a) That the Draft Budget of Greater Tzaneen Municipality for the financial year 2020/2021 and the indicative revenue and projected expenditure for the two subsequent years 2021/2022 and 2022/2023 be approved as contained in the following schedules:

- (s) GENERAL RATES AND REBATE

#### PROPERTY RATES TARIFFS

| <b>CATEGORIES OF PROPERTIES<br/>IN TERMS OF THE POLICY</b> | <b>CURRENT</b> | <b>PROPOSED</b> |
|--|----------------|-----------------|
| <b>Agricultural Properties</b>                             |                |                 |
| Tariff on market value                                     | R0.002055      | R0.002258       |
| <b>Business and Commercial<br/>Properties</b>              |                |                 |
| Tariff on market value                                     | R0.013217      | R0.013812       |
| <b>Cemeteries and Crematoriums<br/>Properties</b>          |                |                 |
| Tariff on market value                                     | R0.00          | R0.00           |
| <b>Industrial Properties</b>                               |                |                 |
| Tariff on market value                                     | R0.013217      | R0.013812       |
| <b>Municipal Properties</b>                                |                |                 |
| Tariff on market value                                     | R0.00          | R0.00           |
| <b>Vacant Land</b>   |                |                 |
| Tariff on market value                                     | R0.013217      | R0.013812       |

|   |           |           |
|---|-----------|-----------|
|   |           |           |
| <b>Public Benefit Organization Properties</b> |           |           |
| Tariff on market value                        | R0.002055 | R0.002258 |
| <b>Public Service Infrastructure</b>          |           |           |
| Tariff on market value                        | R0.002055 | R0.002258 |
| <b>Properties for Religious Use</b>           |           |           |
| Tariff on market value                        | R0.00     | R0.00     |
| <b>Residential Properties</b>                 |           |           |
| Tariff on market value                        | R0.013217 | R0.013812 |
| <b>State-Owned Properties</b>                 |           |           |
| Tariff on market value                        | R0.013217 | R0.013812 |

To comply with the requirements of Government Gazette no 32991 the following ratios will apply:

- (a) The first number in the second column of the table represents the ratio to the rate on residential properties.
- (b) The second number in the second column of the table represents the maximum ratio to the rate on residential property that may be imposed on the non-residential properties listed in the first column of the table:

| <u>Categories</u>                      | <u>Ratio in Relation to Residential property</u> |
|--|--|
| Residential property                   | 1:1  |
| Agricultural property                  | 1: 0,25  |
| Public service infrastructure property | 1: 0.25  |
| Public benefit organization property   | 1: 0.25  |

The Agricultural Property, public service infrastructure property and Public benefit organization property tariff must be 25% of the residential tariff.

That the rates be paid in a single amount before 31 August or in twelve (12) equal monthly installments.

That according to the Municipal Property Rates Act 12 of 2007 updated September 2015 the following be considered:

*“17 A Municipality may not levy a rate –*

*(h) On the first R15 000 of the market value of a property assigned in the valuation roll or supplementary valuation roll of a Municipality to a category determined by the Municipality –*

*(i) For residential properties; or*

*(ii) For properties used for multiple purposes, provided one or more components of the property are used for residential purposes;”*

That the interest rate on overdue amounts on property rates be charged at prime rate plus one (1%) percent in terms of the Municipal Property Rates Act, 2004.

That the rebates of 30% as contained in Councils Property Rates Policy on Residential property be applied, and an additional 5% rebate be applied on the charge.