



**GREATER TZANEEN MUNICIPALITY
GROTER TZANEEN MUNISIPALITEIT
MASIPALA WA TZANEEN MASEPALA WA
TZANEENF**



PROPERTY RATES POLICY

Policy Number:	Approved Date:
Effective Date: 01 July 2026	Review Date: 2026 03 26
Council Resolution: E/C 18 03 2026; C 26 03 2026	

Notwithstanding the review date herein, this policy shall remain effective until such time approved otherwise by Council and may be reviewed on an earlier date if necessary.

TABLE OF CONTENTS

PAR	CONTENTS	PAGE
1	INTRODUCTION/LEGISLATIVE CONTEXT	3
2	DEFINITIONS	4
3	POLICY PRINCIPLES	5
4	CATEGORIES OF PROPERTY	6
5	CRITERIA FOR RATING MULTIPLE USE PROPERTIES	6
6	CATEGORIES OF OWNERS	6
7	DIFFERENTIAL RATING	7
8	EXEMPTIONS	7
9	REDUCTIONS	7
10	REBATES	8
11	COSTS OF EXEMPTIONS, REDUCTIONS, REBATES, EXCLUSIONS, PHASING-IN AND ITS BENEFITS	12
12	RATES INCREASES	13
13	AMOUNT DUE FOR RATES	14
14	PAYMENT OF RATES	14
15	ANNUAL REVIEW OF THE RATES POLICY	15
16	SHORT TITLE	15
17	THE EFFECTIVE DATE OF THE RATES POLICY	15
18	LEGAL REQUIREMENTS	16

1. INTRODUCTION/LEGISLATIVE CONTEXT

The Local Government Municipal Property Rates Act (2004) (No 6 of 2004) requires municipalities to develop and adopt rates policies consistent with the Act on the levying of rates on rateable property in the municipality.

The municipality needs a reliable source of revenue to provide basic services and perform its functions. Property rates are the most important source of general revenue for the municipality. Revenue from property rates is used to fund services that benefit the community as a whole, as opposed to individual households. These include installing and maintaining streets, roads, sidewalks, lighting, and storm drainage facilities, clinic functions, parks and recreational facilities, and cemeteries. Property rates revenue is also used to fund municipal administration, such as computer equipment and stationery, the cost of governance, such as council and community meetings, which facilitate community participation on issues of Integrated Development Plans (IDPs) and municipal budgets.

Municipal property rates are set, collected, and used locally. Revenue from property rates is spent within the municipality where citizens and voters have a voice in decisions on how revenue is spent as part of the Integrated Development Plans (IDPs) and budget processes, which a municipality invites communities to input prior to municipal council adoption of the budget.

In terms of Section 229 of the Constitution of the Republic of South Africa, 1996 (No.108 of 1996), a municipality may impose rates on property.

In terms of Section 4 (1) (c) of the Local Government: Municipal Systems Act, 2000 (No. 32 of 2000), the municipality has the right to finance the affairs of the municipality by imposing, *inter alia*, rates on property.

In terms of Section 62(1)(f)(ii) of the Local Government: Municipal Finance Management Act, 2003 (No. 56 of 2003), the municipal manager must ensure that the municipality has and implements a rates policy.

2. DEFINITIONS

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

“**Agricultural Purposes**” in relation to the use of a property, excludes the use of a property for the purpose of eco-tourism or for the trading in or hunting of game.

“**Business**” means the activity of buying, selling or trade in goods or services and includes any office or other accommodation on the same erf, the use of which is incidental to such business, with the exclusion of the business of mining, agriculture, farming, or inter alia, any other business consisting of cultivation of soils, the gathering in of crops or the rearing of livestock or consisting of the propagation and harvesting of fish or other aquatic organisms.

“**Industrial**” means a branch of trade or manufacturing, production, assembling, or processing of finished or partially finished products from raw materials or fabricated parts, on so large scale that capital and labour are significantly involved.

“**Mining**” means any operation or activity for the purpose of extracting any mineral on, in, or under the earth, water, or any residue deposit, whether by underground or open working or otherwise, and includes any operation or activity incidental thereto.

“Multiple use properties” means properties that cannot be assigned to a single category due to different uses and where the market value of each category is apportioned on the valuation roll.

“Municipal properties” means those properties of which the municipality is the owner

“Privately developed estates” means single properties divided through subdivision or township establishment into developments with full title stands and/or sectional units in accordance with the Town Planning Scheme, and where all services, inclusive of water, electricity, sewerage and refuse removal and roads development are installed at the full cost of the developer and maintained by the residents of such estate.

“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

“Public Benefits Organization” means an organization conducting specified public benefit activities as defined in the Act and registered in terms of the Income Tax Act for tax reductions because of those activities.

“Public Service Infrastructure” means publicly controlled infrastructure of the following kinds:

(a) national, provincial, or other public roads on which goods, services, or 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

(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 or aprons at national or provincial airports.

(h) breakwater, sea walls, channels, basin quay walls, jetties, railway or infrastructure used for the provision of water, lights, power, sewerage, or similar services of ports, or navigational aids comprising light houses, radio navigational aids, buoys, beacons, or any other device or system used to assist the safe and efficient navigation of vessels.

(i) any other publicly controlled entity as may be prescribed; or

(j) rights of way, easements, or servitudes in connection with infrastructure mentioned in paragraphs (a) to (i)

“Residential” means a suite of rooms that forms a living unit that is exclusively used for human habitation purposes, or a number of such units on a property, excluding a hotel, commune, boarding hostel, and place of instruction.

“Public service properties” means properties owned by the State, which are not included in the definition of public service infrastructure in the Act. These public service properties are classified as follows:

- (a) State properties that provide local services
- (b) State properties that provide regional/ municipal district-wide/metro-wide service
- (c) State properties that provide provincial/national service.

“Vacant land” means a land where no immovable improvements have been erected.

All other terms are used within the context of the definitions contained in the Local Government: Municipal Property Rates Act, 2004 (No. 6 of 2004).

3. **POLICY PRINCIPLES**

The following principles will ensure that the municipality treats persons liable for rates equitably:

Equity

The municipality will treat ratepayers with similar properties the same.

Affordability

The ability of a person to pay rates will be taken into account by the municipality. In dealing with the poor/indigent ratepayers, the municipality will provide relief measures through exemptions, reductions, or rebates. In order to minimize major shocks to ratepayers, the market value in a new valuation roll may be phased in over the entire period of the valuation cycle.

Explicit Cross-subsidisation

The determination of the tariffs and the levying of rates must allow the council to promote local, social and economic development.

Sustainability:

Rating of the property will be implemented in a way that:

- i. it supports sustainable local government by providing a stable and

- buoyant revenue source within the discretionary control of the municipality; and
- ii. supports local social and economic development

Cost efficiency

Rates will be based on the value of all rateables property and the amount required by the municipality to balance the operating budget after taking into account profits generated on services and the amounts required to finance free basic services, exemptions, rebates, reductions, and phasing-in of rates as approved by the municipality from time to time.

Rates are levied in accordance with the Act as an amount in the rand based on the market value of all rateable property contained in the municipality's valuation roll and supplementary valuation roll.

As allowed for in the MPRA No 6 of 2004 section 15(3) and (4) , the municipality has chosen to differentiate between various categories of property and categories of owners of property. Some categories of property and categories of owners are granted relief from rates. The municipality, however, does not grant relief in respect of payments for rates to any category of owners or properties, or to owners of properties on an individual basis, other than by way of an exemption, rebate, or reduction provided for in this policy.

CATEGORIES OF PROPERTY

3.1 Criteria for determining categories of properties for the purpose of levying different rates and for the purpose of granting exemptions will be according to the combination of the use of the property and the permitted use of the property.

3.2 Categories of rateable property within the municipal jurisdiction include:

- (a) Residential Properties;
- (b) Industrial properties;
- (c) Business and Commercial Properties;
- (d) Agricultural properties;
- (e) Properties owned by an organ of state and used for public service purposes;

- (f) Public Service Infrastructure properties;
- (g) Properties owned by Public Benefit Organisations and used for specified public benefit activities;
- (h) Properties used for multiple purposes, subject to section 9
- (i) Vacant Properties

4. CRITERIA FOR RATING MULTIPLE USE PROPERTY

The following criteria is proposed by the municipality:

- By apportioning the market value of a property to the different purposes for which the property is used, for
- Applying the rates applicable to the categories determined by the municipality for properties used for those purposes to the different market value apportionments.

5. CATEGORIES OF OWNERS

5.1 Criteria for determining categories of owners of properties, for the purpose of granting exemptions, rebates, and reductions, will be according to the:

- (a) Indigent status of the owner of a property
- (b) Indigent owners and child-headed households
- (c) owners dependent on pensions or social grants for their livelihood
- (d) owners who are recognised as Military Veterans in terms of the Military Veterans Act 18 of 2011
- (e) 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); or
 - ii. any other serious adverse social or economic conditions;
- (f) owners of developed residential properties with a market value below a determined threshold.

6. DIFFERENTIAL RATING

6.1 Criteria for differential rating on different categories of properties will be according to:

- (a) The nature of the property, including its sensitivity to rating, e.g.,

agricultural properties used for agricultural purposes.

- (b) Vacant land will be rated higher (in terms of a Cent in a Rand) as the municipality is encouraging owners of vacant land to develop it.
- (c) The promotion of social and economic development of the municipality.

6.2 Differential rating among the various property categories will be done by way of setting a different amount in the rand for each property category.

6.3 Special Rating Areas (SRAs)

The Municipality may, by Council resolution, establish Special Rating Areas in accordance with Section 22 of the MPRA.

- (a) An additional rate will be levied to fund improvements in such areas in accordance with section 112 of SPLUMA 16 of 2013.
- (b) Establishment will require public consultation and the majority consent of affected owners.
- (c) Rebates and exemptions will not apply to SRA levies.

8 EXEMPTIONS

8.1 The following categories of property are exempted from rates:

- (a) Municipal properties: Municipal properties are exempted from paying rates
- (b) Religious properties: Property registered in the name of and used as a place of public worship by a religious community, including an official residence registered in the name of that community which is occupied by an office-bearer of that community who officiates at services at that place of worship in terms of section 17(l)(i) of the Act. The exemption is also applicable on a property registered in the name of and used primarily as a place of public worship by a religious community that does not erect buildings.

9. REDUCTIONS

- 9.1 A reduction in the municipal valuation as contemplated in section 15(1)(b) of the Act will be granted where the value of a property is affected by: -
- (a) a disaster within the meaning of the Disaster Management Act, 2002 (Act No. 57 of 2002); or
 - (b) any other serious adverse social or economic conditions
- 9.2 The reduction will be in relation to the certificate issued for this purpose by the municipal valuer.
- 9.3 All categories of owners can apply for a reduction in the rates payable as described above.

10. REBATES

10.1. Categories of property:

(a) Business, commercial, and industrial properties:

- i. The municipality may grant a rebate of 20% to rateable enterprises that promote local, social, and economic development in its area of jurisdiction, based on its Local, Social, and Economic Development Policy. The following criteria will apply:
 - a. permanently employ more than twenty (20) workers with South African citizenship for at least a continuous period of twelve (12) months, and the salaries /wages are strictly in terms of the minimum standards set by the Department of Labour;
 - b. social upliftment of the local community; and
 - c. creation of infrastructure for the benefit of the community.

- ii. Rebates will be granted on application, subject to:
 - a. a business plan issued by the directors by the 30th of September each year, of the company, indicating how the local, social, and economic development objectives of the municipality are going to be met;
 - b. a continuation plan issued by the directors and certified by auditors of the company stating that the objectives have been met in the first year after establishment and how the company plans to continue to meet the objectives;
 - c. an assessment by the municipal manager or his/her nominee indicating that the company qualifies; and
 - d. a municipal council resolution.

(b) Residential properties:

The municipality grants a 30 % rebate, which applies to improved residential property that is:

- i. used predominantly for residential purposes, with not more than two dwelling units per property
- ii. registered in terms of the Sectional Title Act.
- iii. owned by a share-block company.
- iv. privately developed estates used for residential purposes.
- v. a rateable residence on property used for or related to educational purposes.
- vi. Where a general valuation roll or supplementary valuation results in a material increase in the market value of a residential property, Council may approve the phasing-in if the increase property rates in order to mitigate the immediate financial impact on the affected ratepayers.
- vii. Phasing-in shall apply only to the portion of the rate increase arising from the revised valuation and shall not affect the base rate payable prior to the implementation of the new valuation roll.
- viii. The phasing-in of valuation-related rate increases shall be applied for a maximum period of three (3) financial years, subject to annual review and affordability considerations.
- xi. Phasing-in shall not apply to properties where valuation increases arise from illegal use, unauthorised development, zoning contraventions, or material improvements initiated by the owner.
- x. The financial impact of phasing-in shall be quantified annually and funded through Council-approved budgetary provisions, without compromising the financial sustainability of the municipality.

The municipality may grant an additional % rebate, which applies to Residential Property mentioned 10.1 (b) above upon the implementation of a new valuation roll, which will be phased out over the valuation cycle.

The additional rebate % will be approved in the annual budget , alternatively, lower tariffs in the year of implementing a new valuation roll.

- (c) Privately developed estates: The municipality grants an additional rebate of 30%, over and above as stipulated in paragraph 10.1 (b), which applies to privately developed estates qualifying as defined in the definitions of this policy. Privately developed estates not maintaining the total services of the estate will receive a 10% rebate. This rebate only applies to improved full title stands and/or sectional units.
- (d) Properties used for agricultural purposes:
- i. Qualifying requirements are that the owner or the person renting a property from an owner should be taxed by SARS as a farmer, and the last tax assessment must be provided as proof, or
 - ii. Where the owner or the person renting the agricultural property is not taxed as a farmer, proof is required that income from farming activities exceeds 40% of the total income generated.
 - iii. The ratio referred to Gazette no. 32061 and 32062 issued on 27th March 2009 makes provision that bona fide farmers will only pay 25% of the tariff charged to residential ratepayers as amended by regulation 9242 on 12 March 2010.

If the farm property is impacted by the Extension of Security Act 62 of 1997, the value of the identified property impacted by the Act will be excluded from the total valuation for rating purposes. The benefits, rights, and privileges associated with the identified property must also be valued in order to obtain the true market-related valuation

The municipality must be notified by the owner of such property impacted by the Extension of Security of Tenure Act 62 of 1997 in order to qualify. All relevant deeds and legal documents pertaining to the

property and the applicant should be attached to the application.

(e) Public Benefit Organizations:

The ratio referred to in Gazette no 32061 and 32062 issued on 27th March 2009, as amended by regulation 9242 on 12 March 2010, makes provision that Public Benefit Organizations will only pay 25% of the tariff charged to residential ratepayers. These organizations include the following:

- i. Health care institutions: Properties used exclusively as a hospital, clinic, or mental hospital, including workshops used by the inmates, laundry or cafeteria facilities, provided that any profits from the use of the property are used entirely for the benefit of the institution and/or to charitable purposes within the municipality.
- ii. Welfare institutions: Properties used exclusively as an orphanage, non-profit retirement villages, old age home or benevolent institution, including workshops used by the inmates, laundry or cafeteria facilities, provided that any profits from the use of the property are used entirely for the benefit of the institution and/or to charitable purposes within the municipality.
- iii. Educational institutions: Property belonging to educational institutions declared or registered by law.
- iv. Independent schools: Property used by registered independent schools for educational purposes.
- v. Charitable institutions: Property belonging to not-for-profit institutions or organisations that perform charitable work.
- vi. Sporting bodies: Property used by an organisation whose sole purpose is to use the property for sporting purposes on a non-professional basis.
- vii. Cultural institutions: Properties declared in terms of the Cultural Institutions Act, Act 29 of 1969, or the Cultural Institutions Act, Act 66 of 1989.
- viii. Museums, libraries, art galleries, and botanical gardens: Registered in the name of private persons, open to the public and not operated for gain.
- ix. Youth development organisations: Property owned and/or used by organisations for the provision of youth leadership or development programmes.
- x. Animal welfare: Property owned or used by institutions /organisations whose exclusive aim is to protect birds, reptiles and animals on a not- for-gain basis.

(f) Informal settlement

It is specifically noted that agricultural owners who had been adversely affected by disaster or loss of income, not necessarily as set out in the Disaster Management Act, 2002 (Act No. 57 of 2002), but as agreed to by die Department of Agriculture and Agricultural unions, also be exempted by the meaning of **SECTION 15: EXEMPTIONS, REDUCTIONS AND REBATES**

10.2 Categories of owners:

(a) Retired and Disabled Persons Rate Rebate

- i. Retired and Disabled Persons qualify for an additional rebate of 30% over and above the residential rebate as set out in paragraph 10.1 (b) according to monthly household income.

The following will be taken into consideration for the purpose of granting rebates.

- a. Indigent status of the owner of the property
 - b. Indigent owners and child headed households
 - c. Sources of income of the owner of the property
 - d. Owners who are recognised as Military Veterans in terms of the Military Veterans Act 18 of 2011
 - e. Market value of a fully developed residential property below a determined threshold.
 - f. not be the owner of more than one property.
 - g. owners dependent on pensions or social grants for their livelihood.
- ii. Property owners must apply on a prescribed application form for a rebate as determined by the municipality.
- viii. Applications must be accompanied by
 - a. a certified copy of the identity document or any other proof of the owner's age which is acceptable to the municipality;
 - b. sufficient proof of income of the owner and his/her spouse;
 - c. an affidavit from the owner confirming that the criteria as set out above.
 - d. if the owner is a disabled person, proof of a disability pension payable by the state must be supplied; and
 - e. if the owner has retired at an earlier stage for medical reasons (proof thereof must be submitted).

- ix. The municipality retains the right to refuse rebates if the details supplied in the application form were incomplete, incorrect, or false.
- x. Applications must be lodged by 30 March each financial year. Late applications may only apply for the remainder of that financial year, at the discretion of the Municipal Manager.

10.3 Application Requirements

Applications for rebates, exemptions or reductions must be submitted on the prescribed form and accompanied by:

- a. Certified copy of the applicant's ID
- b. Proof of income (bank statements, pension slips, or affidavit)
- c. SARS Public Benefit Organisation certificate (where applicable)
- d. Sworn affidavit confirming accuracy of information
- e. Any other documentation required by the Municipality
- f. Proof of registration as a Military Veteran such as military certificate/certification

10.4 Verification and Audit

The Municipality reserves the right to conduct on-site inspections and audits to verify applications. Incorrect or false claims will result in withdrawal of the rebate and recovery of the benefit, with interest and penalties where applicable.

11. **COST TO THE MUNICIPALITY DUE TO EXEMPTIONS, REDUCTIONS, REBATES, EXCLUSIONS, PHASING IN, AND THE BENEFIT THEREOF TO MUNICIPALITIES**

Information within the following format shall be submitted to Council on an annual basis to report on the related cost to Council:

(a) Costs associated with exemptions, reductions, rebates, exclusions, and phasing in of rates-

i.	Exemptions:	R
	Municipal properties	
	Residential properties	
	Cemeteries and crematoriums	
	Public service infrastructure	
	Public benefit organizations	
ii.	Reductions:	
	Properties affected by disaster	
	Properties affected by serious adverse social or economic conditions	
iii.	Rebates Enterprises that promote local, social, and economic development:.....	
	State properties.....	
	Residential properties	
	Retired and disabled persons	
	Phasing in newly rateable property	
	Land reform beneficiaries	

Rebate to limit the increase of rates

iv. Exclusions:

Public service infrastructure

Protected areas

Landreform beneficiary

Residential property (mandated R_____ exemption)

Public places of worship

(b) The benefit to the community of granting relief measures will be

- i. The promotion of local economic development, including attracting business investment, for example small business establishment;
- ii. Creation of employment for municipal residents;
- iii. Promotion of service delivery, for example, by farmers;
- iv. Poverty alleviation for the indigents;
- v. Social development and moral development, for example, by religious institutions, sports institutions, schools, and other non-governmental organisations which promote health and other benefits to the community; and
- vi. Improved local economic growth.

12. RATES INCREASES

- (a) The municipality will consider increasing rates annually during the budget process in terms of the guidelines issued by the National Treasury from time to time.
- (b) Rate increases will be used to finance the increase in operating costs of community and subsidised services.
- (c) Relating to community and subsidised services, the following annual adjustments will be made:

- i. All salary and wage increases as agreed at the South African Local Government Bargaining Council and in terms of the Remuneration of Public Office Bearers Act;
 - ii. An inflation adjustment for general expenditure and repairs and maintenance, and contributions to statutory funds, and
 - iii. Additional depreciation costs or interest and redemption on loans associated with the assets created during the previous financial year.
- (d) Extraordinary expenditure related to community services not foreseen during the previous budget period and approved by the council during a budget review process will be financed by an increase in property rates annually during the budget process.
- (e) Affordability of rates to ratepayers with special reference to the Municipal Property Rates Act No 6 of 2004, chapter 2, paragraph 20.
- (f) All increases in property rates will be communicated to the local community in terms of the municipality's policy on community participation.
- (g) The interest rate to be charged on overdue amounts on property rates shall be set at the prime rate plus one percent (1%) as stipulated in Government Gazette No. 28113 (Notice 1856 of 2005). The prime rate is the prime rate of the bank where the primary bank account of the municipality is kept. The % as determined on 1 July each year will be fixed for the financial year.
- (h) All phasing-in arrangements approved in terms of this policy shall be recorded in the municipal rates register and reviewed annually as part of the budget process.
- (i) Properties benefiting from phasing-in may not receive additional valuation-related rebates for the same financial year, except where such rebates relate to indigent owners, pensioners, or hild-headed households.
- (j) Phasing-in relief shall lapse automatically upon expiry of the approved phasing-in period or upon a change in ownership or use of the property.
- (k) Council shall annually be provided with a report indicating the number of properties subject to phasing-in, the value of revenue deferred, and the impact on rates income.

13. AMOUNT DUE FOR RATES

A rate (Cent amount in the Rand) will be reflected in the budget

- (a) The municipality will Gazette the rates approved at the annual budget meeting at least 30 days prior to the date that the rates become effective. Accounts delivered after the 30-day notice will be based on the new rates.
- (b) A notice stating the municipality's resolution and the date on which the new rates become operational will be displayed by the municipality at places installed for that purpose and on the official website of the Municipality.

14. PAYMENT OF RATES

- 14.1 Ratepayers may choose between paying rates annually in advance with one installment on or before the 15th of August of each year or in twelve equal installments on or before the 15th day of the month following the month in which it becomes payable.
- 14.2 Interest on arrear rates, whether payable on or before the 15th of August or in equal monthly installments, shall be calculated at the fixed % rate determined annually over the financial year.
- 14.3 If a property owner who is responsible for the payment of property rates in terms of this policy fails to pay such rates in the prescribed manner, it will be recovered from him/her in accordance with the provisions of the Credit Control, Debt Collection, and indigent policy of the Municipality.
- 14.4 Arrears rates shall be recovered from tenants, occupiers, and agents of the owner, in terms of sections 28 and 29 of the Act.
- 14.5 Where the rates levied on a particular property have been incorrectly determined, whether because of an error or omission on the part of the municipality or false information provided by the property owner concerned or a contravention of the permitted use to which the property concerned may be

put, the rates payable shall be appropriately adjusted for the period extending from the date on which the error or omission is detected back to the date on which rates were first levied in terms of the current valuation roll.

- 14.6 In addition to paragraph 14.5, where the error occurred because of false information provided by the property owner or as a result of a contravention of the permitted use of the property concerned, interest on the unpaid portion of the adjusted rates payable shall be levied at the maximum rate permitted by prevailing legislation.
- 14.7 Any owner who occupies property, commences building, structural alterations, or development on a property without an occupation certificate or a prior written approval of building plans as required by the municipality's building control regulations, municipality may impose a penalty in addition to normal property rates.

15. ANNUAL REVIEW OF THE RATES POLICY

15.1 The municipality will annually review its rates policy, taking into account any legislative changes.

16. SHORT TITLE

16.1 This policy is the Property Rates Policy of the Greater Tzaneen Municipality.

17. THE EFFECTIVE DATES OF THE RATES POLICY

The rates policy takes effect from the start of the municipal financial year.

18. LEGAL REQUIREMENTS

The legal requirement of the Act is attached as Annexure A to this policy document.

Reviewed March 2026

ANNEXURE “A”

LEGAL REQUIREMENTS

The annexure does not cover the complete contents of the Property Rates Act, but focuses on those requirements that are immediately relevant to a municipality’s rates policy. The provisions dealing with most of the valuation processes and with transitional arrangements are not covered in this annexure.

SECTION 2: POWER TO LEVY RATES

- (1) *A metropolitan or local municipality may levy a rate on property in its municipal area.*

SECTION 3: ADOPTION AND CONTENTS OF RATES POLICY

- (1) *The council of a municipality must adopt a policy consistent with the present Act on the levying of rates on rateable property in the municipality.*
- (2) *Such a rate policy will take effect on the effective date of the first valuation roll prepared by the municipality in terms of the present Act, and such policy must accompany the municipality’s budget for the financial year concerned when that budget is tabled in the council in terms of the requirements of the Municipal Finance Management Act.*
- (3) *A rates policy must:*
 - (a) *Treat persons liable for rates equitably;*
 - (b) *determine the criteria to be applied by the municipality if it:*
 - i. *Levies different rates for different categories of property determined in terms of section 8*
 - ii. *Exempts a specific category of owners of properties, or the owners*

- (e) *identify and provide reasons for: -*
 - i. *exemptions,*
 - ii. *rebates and*
 - iii. *reductions*

- (f) *Take into account the effect of rates on the poor and include appropriate measures to alleviate the rates burden on them;*

- (g) *Take into account the effect of rates on organisations conducting specified public benefit activities and registered in terms of the Income Tax Act for tax exemptions because of those activities, in the case of property owned and used by such organisations for those activities;*

- (h) *Take into account the effect of rates on public service infrastructure .*

- (i) *Allow the municipality to promote local, social, and economic development; and*

- (j) *Identify, on a basis as may be prescribed, all rateable properties in a municipality that are not rated in terms of Section 7 and*

- (k) *In respect of agricultural property, give effect to the regulations promulgated in terms of section 19(1)(b)*

- (4) *Any exemptions, rebates, or reductions granted and provided for in the rates policy adopted by a municipality must comply and be implemented in accordance with a national framework that may be prescribed after consultation with organised local government.*

- (5) *No municipality may grant relief in respect of the payment of rates to:*
 - (a) *A category of owners of properties, or to the owners of a category of properties, other than by way of an exemption, rebate, or reduction as provided for in its rates policy and granted in terms of Section 15 of the present Act; or*
 - (b) *The owners of properties on an individual basis.*

SECTION 4: COMMUNITY PARTICIPATION

- (1) *Before a municipality adopts its rate policy, the municipality must*
 - (a) *Follow the process of community participation envisaged in Chapter 4 of the Municipal Systems Act; and*
 - (b) *Comply with the following requirements, as set out below.*

- (2) *The municipal manager of the municipality must:*
- (a) *Conspicuously display the draft rates policy for a period of at least 30 days*
 - i. *At the municipality's head and satellite offices and libraries, and*
 - ii. *If the municipality has an official website or a website available to it, on that website as well; and*
 - (b) *advertise in the media a notice*
 - i. *stating that*
 - (aa) *A draft rates policy has been prepared for submission to the council, and*
 - (bb) *that such policy is available at the various municipal offices for public inspection, and (where applicable) is also available on the relevant website; and*
 - ii. *inviting the local community to submit comments and representations to the municipality within a period specified in the notice, but which period shall not be less than 30 days.*
- (3) *The council must take all comments and representations made to it into account when it considers the draft rates policy.*

SECTION 5: ANNUAL REVIEW OF RATES POLICY

- (1) *The council must annually review, and – if needed – amend its rates policy. Any amendments to the rates policy must accompany the municipality's annual budget when it is tabled in the council in terms of the Municipal Finance Management Act.*
- (2) *When the council decides to amend the rates policy, community participation must be allowed for as part of the municipality's annual budget process.*

SECTION 6: BY-LAWS TO GIVE EFFECT TO RATES POLICY

- (1) *A municipality must adopt and publish by-laws in terms of sections 12 and 13 of the Municipal Systems Act to give effect to the implementation of its rates policy,*
- (2) *Such by-laws may differentiate between*

- (a) *Different categories of properties, and*
- (b) *Different categories of owners of properties liable for the payment of rates.*

SECTION 7: RATES TO BE LEVIED ON ALL RATEABLE PROPERTY

- (1) *When levying rates, a municipality must, subject to subsection (2), levy rates on all rateable property in its area,*
- (2) *is nevertheless*
 - (a) *not obliged to levy rates on:*
 - i. *Properties of which the municipality itself is the owner;*
 - ii. *Public service infrastructure owned by a municipal entity;*
 - iii. *Rights registered against immovable property in the name of a person;*
 - iv. *Properties in respect of which it is impossible or unreasonably difficult to establish market value because of legally insecure tenure attributable to past racially discriminatory laws or practices.*
 - (b) *The requirement to levy rates on all rateable properties does not prevent a municipality from granting exemptions from rebates on or reductions in rates levied.*

SECTION 8: DIFFERENTIAL RATES

- (1) *Subject to section 19, a municipality may, in terms of the criteria set out in its rates policy, levy different rates for different categories of rateable property, determined in subsections (2) and (3), which must be determined according to the:*
 - (a) *Use of the property;*
 - (b) *Permitted use of the property; or*
 - (c) *A combination of (a) and (b)*
- (2) *A municipality must determine the following categories of rateable property in terms of subsection (1), provided such property category exists within the municipal jurisdiction :*
 - (a) *Residential properties*
 - (b) *Industrial properties*
 - (c) *Business and commercial properties*

- (d) *Agricultural properties*
- (e) *Mining properties*
- (f) *Properties owned by an organ of state and used for public service purposes*
- (g) *Public service infrastructure properties*
- (h) *Properties owned by public benefit organisations and used for any specific public benefit activities*
- (i) *Properties used for multiple purposes, subject to section 9, or*
- (k) *Any other category of property as may be determined by the Minister of Finance, by notice in the Gazette*

SECTION 9: PROPERTIES USED FOR MULTIPLE PURPOSES

- (1) *A property used for multiple purposes must, for rate purposes, be assigned to a category determined by the municipality for properties used for:*
 - (a) *A purpose corresponding with the permitted use of the property,*
 - (b) *A purpose corresponding with the dominant use of the property; or multiple purposes, as specified in Section 8 above.*
 - (c) *Multiple purposes in terms of section 8(2)(r)(i)*

- (2) *A rate levied on a property assigned to a category of properties used for multiple purposes must be determined by:*
 - (a) *Apportioning the market value of the property, in a manner as may be prescribed to the different purposes for which the property is used; and*
 - (b) *Applying the rates applicable to the categories determined by the municipality for properties used for those purposes to the different market value apportionments.*

SECTION 10: LEVYING OF RATES ON PROPERTY IN SECTIONAL TITLE SCHEMES

- (1) *A rate on a property which is subject to a sectional title scheme must be levied on the individual sectional title units in the scheme, and not on the property as a whole.*
- (2)

SECTION 11: AMOUNT DUE FOR RATES

- (1) *A rate levied by a municipality on property must be stated as an amount in the rand:*
 - (a) *On the market value of the property;*
 - (b) *In the case of public service infrastructure, on the market value of the public service infrastructure, less 30% of that value;*
 - (c) *In the case of property to which Section 17(1)(h) applies, on the market value of the property less the amount stated in that section (note the section concerned deals with the requirement that the first R15 000 of the market value of certain properties is not rateable).*

- (3) *A rate levied by a municipality on residential properties with a market value below a*

prescribed value may, instead of a rate determined in terms of subsection (1) , be a uniform fixed amount per property.

SECTION 12: PERIODS FOR WHICH RATES MAY BE LEVIED

- (1) *When levying rates, a municipality must levy the rate for a financial year. A rate lapses at the end of the financial year for which it was levied.*
- (2) *The levying of rates forms part of the municipality's annual budget process, and the municipality must therefore annually, at the time of its budget process, review the amount in the rand of its*

current rates in line with the annual budget for the next financial year.

SECTION 13: COMMENCEMENT OF RATES

- (1) *A rate becomes payable*
 - (a) *As from the start of the particular financial year, or*
 - (b) *If the municipality's annual budget is not approved by the start of the financial year, as from such later date when the municipality's annual budget, including the resolution levying the rates, is approved by the provincial executive in terms of section 26 of the Municipal Finance Management Act.*

SECTION 14: PROMULGATION OF RESOLUTIONS LEVYING RATES

- (1) *A rate is levied by a municipality by a resolution passed by the council with a supporting vote of a simple majority of its members.*
- (2)(a) *A resolution levying the rates in a municipality must be annually promulgated within 60 days of the date of the resolution by publishing the resolution in the provincial gazette.*
- (b) *The resolution must –*
 - (i) *Contain the date on which the resolution levying rates was passed*
 - (ii) *Differentiate between categories of properties; and*
 - (iii) *Reflect the cent amount in the Rand rate for each category of property*
- (3) *Whenever a municipality passes a resolution to levy rates, the municipal manager must, without delay,*
 - (a) *conspicuously display the resolution for a period of at least 30 days*
 - i. *At the municipality's head and satellite offices and libraries, and*
 - ii. *If the municipality has an official website or a website is available to it, on that website as well; and*
 - (b) *advertise in the media a notice stating that*
 - i. *resolution levying the property rates has been passed by the council, and*
 - ii. *That the resolution is available at the municipality's head and satellite offices and so forth.*

SECTION 15: EXEMPTIONS, REDUCTIONS AND REBATES

- (1) *A municipality may, in terms of the criteria which it has set out in its rates policy:*
 - (a) *exempt a specific category of owners of properties, or the owners of a specific category of properties, from payment of the rate levied on their property; or*
 - (b) *grant to a specific category of owners, or to the owners of a specific category of properties, a rebate on or a reduction in the rates payable in respect of their properties.*

- (2) *When granting in terms of subsection (1) exemptions, reductions, and rebates in respect of owners or categories of properties, a municipality may determine such categories in accordance with Section 8(2) and subsection (2A), and when granting exemptions, reductions, or rebates in respect of categories of owners of properties, such categories may include:*
- (a) *indigent owners;*
 - (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 a disaster or 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; and*
 - (f) *owners of agricultural properties who are bona fide farmers.*
- (2A) *In addition to the categories of rateable property determined in terms of section 8(2), a Municipality may, subject to any ratio determined in terms of section 19, for the purposes of granting exemptions, rebates, and reductions, determine such property categories based on –*
- (a) *properties used for public service purposes; and*
 - (b) *properties to which the provisions of the National Heritage Resources Act, 1999 (Act 25 of 1999) apply, or an institution that has been declared to be subject to the Cultural Institutions Act 1998(Act No 119 of 1998)*
- (3) *The municipal manager must annually table in the council:*
- (a) *a list of all exemptions, reductions, and rebates granted by the municipality during the previous financial year; and*
 - (b) *a statement reflecting the income which the municipality has forgone during the previous financial year by way of*
 - i. *such exemptions, reductions, and rebates,*
- (4) *All exemptions, reductions, and rebates projected for a financial year must be reflected in the municipality's annual budget for that year as*
- (a) *income on the revenue side and*
 - (b) *expenditure on the expenditure side.*

SECTION 16: CONSTITUTIONALLY IMPERMISSIBLE RATES

- (1) *In terms of the Constitution, a municipality may not exercise its power to levy rates on property in a manner that materially and unreasonably prejudices*
- (a) *National economic policies,*
 - (b) *Economic activities across its boundaries, or*
 - (c) *The national mobility of goods, services, capital, and labour.*

- (2) (a) *If a rate on a specific category of properties, or a rate on a specific category of properties above a specific amount in the rand, is materially and unreasonably prejudicing any of the matters listed in subsection (1), the Minister, with the concurrence of the Minister of Finance, must, by notice in the gazette, give notice to the relevant municipality that the rate must be limited to an amount in the rand specified in the notice.*
- (b) *A municipality affected by a notice referred to in paragraph (a) must give effect to the notice, the effective day of which must be from the date determined by the Minister in the notice.*

SECTION 17: OTHER IMPERMISSIBLE RATES

- (1) *A municipality may not levy a rate on:*
- (a) *subject to paragraph (a), the first 30% of the market value of public service infrastructure;*
(a) on any property referred to in paragraphs (a),(b),(e),(g), and (h) of the definition of “public service infrastructure”
- (b) *Any part of the seashore as defined in the National Environmental Management Integrated Coastal Management Act, 2007(Act no 24 of 2008)*
- (c) *Any part of the territorial waters of the Republic;*
- (d) *Any islands of which the state is the owner;*
- (e) *Those parts of a special nature reserve, national park or nature reserve or national botanical garden which are not developed or used for commercial, business, agricultural, or residential purposes; mineral rights;*
- (f) *On mining rights or a mining permit within the meaning of the Mineral and Petroleum Resources Development Act 2002(Act No 28 of 2002), excluding any building, other immovable structures, and infrastructure above the surface of the mining property required for the purposes of mining.*
- (g) *Property belonging to a land reform beneficiary or his or her heirs, dependants, or spouse, provided that this exclusion lapses*
(i) 10 years from the date on which such beneficiary’s title was registered in the office of the registrar of deeds; or
(ii) upon alienation of the property by the land reform beneficiary or his or her heirs, dependants, or spouse
- (h) *The first R15 000 of the market value of a property assigned in the valuation roll or supplementary valuation roll to a category determined by the municipality for residential purposes or for properties used for multiple purposes, provided*

one or more components of the property are used for residential purposes;

- (i) A property registered in the name of and used primarily as a place of public worship by a religious community, including the official residence registered in the name of that community which is occupied by the office bearer of that community who officiates at services at that place of worship.*

(j)(The remainder of this Section deals with situations where the various exemptions lapse).

(1A) The exclusion from rates of a property referred to in subsection (1)(b) lapses –

(a) If the property is alienated or let , or

(b) If the exclusion from rates of a property lapses in terms of paragraph (a), the new owner or lessee becomes liable to the municipality concerned for rates that, had it not been for subsection (1)(b), would have been payable on the property , notwithstanding section 78, with effect from the date of alienation or lease.

SECTION 18: EXEMPTION OF MUNICIPALITIES FROM PROVISIONS OF SECTION 17

(1) A municipality may apply in writing to the Minister for Provincial and Local Government to be exempted from applying the exemptions granted in respect of the first 30% of the market value of public infrastructure, the exemptions on nature reserves, national parks and national botanical gardens, the exemption on property belonging to land beneficiaries, and the exemption applying to the first R15 000 of the market value of residential and mixed use property, if the municipality can demonstrate that such exclusions are compromising or impeding its ability or right to exercise its powers or perform its functions within the meaning of the Constitution.

SECTION 19: IMPERMISSIBLE DIFFERENTIATION

(1) A municipality may not levy:

(a) Different rates on residential properties, except as provided for in sections 11(2), 21, and 89A: Provided that this paragraph does not apply to residential property which is vacant

(b) A rate on a category of non-residential properties that exceeds a prescribed ratio to the rate on residential properties; determined in terms of section 11(1)(a), provided that different ratios may be set in respect of different categories of non-residential properties

(c) Rates which unreasonably discriminate between categories of non-residential properties; and

(d) Additional rates, except as provided for in Section 22.

SECTION 20: LIMITS ON ANNUAL INCREASES OF RATES

- (1) *The Minister may, with the concurrence of the Minister of Finance and by notice in the gazette, set an upper limit on the percentage by which*
 - (a) *Rates on property categories or a rate on a specific category of properties may be increased; or*
 - (b) *The total revenue derived from rates on all property categories or a rate on a specific category of properties may be increased,*

- (2) *Different limits may be set for*
 - (a) *different kinds of municipalities, of which may, for the purposes of this section, be*

- defined in the notice either in relation to categories, types, or budgetary size of municipalities, or in any other way; or*
- (b) *different categories of properties.*

- (2)) *The Minister may, with the concurrence of the Minister of Finance and by the notice referred to in subsection (1), delay the implementation of a limit, for a period determined in that notice and in respect of the different kinds of municipalities defined in terms of subsection (2)(a)*

SECTION 21: COMPULSORY PHASING IN OF CERTAIN RATES

- (1) (a) *A rate levied on newly rateable property must be phased in over a period of three financial years.*
- (b) *Similarly, a rate levied on property owned by a land reform beneficiary must, after the exclusion period has lapsed, be phased in over a period of three financial years.*
- (c) *A rate levied on a newly rateable property owned and used by organizations conducting specified public benefit activities must be phased in over a period of four financial years.*
- (2) *The phasing-in discount on a property must:*
- (a) *In the first year, be at least 75% of the rate for that year, otherwise applicable to that property;*
- (b) *In the second year, be at least 50% of the rate for that year otherwise applicable to that property, and;*
- (c) *In the third year, be at least 25% of the rate for that year, otherwise applicable to that property.*
- (3) *No rate may be levied during the first year on newly rateable property owned and used by organisations conducting specified public benefit activities. Thereafter, the phasing in discount shall apply as for other newly rateable property*
- (a) *Except that the 75% discount shall apply to the second year,*
- (b) *The 50% to the third year, and*
- (c) *The 25% to the fourth year.*

- (4) *A rate levied on newly rateable property may not be higher than the rate levied on similar property or categories of property in the municipality.*

SECTION 22: SPECIAL RATING AREAS

- (1) *A municipality may, by a resolution of its council*
- (a) *determine an area within that municipality as a special rating area,*

- (b) *levy an additional rate on property in that area for the purpose of raising funds for improving or upgrading that area, and*
 - (c) *differentiate between categories of properties when levying, such as an additional rate.*
- (2) *For determining such a special rating area, the municipality must*
 - (a) *undertake a prescribed process of consultation with the local community, and*
 - (b) *obtain the consent of the majority of the members of the local community in the proposed special rating area who will be liable for paying the additional rate.*
- (3) *The levying of an additional rate may not be used to reinforce existing inequities in the development of the municipality, and any determination of a special rating area must be consistent with the objectives of the municipality's IDP.*

SECTION 23: REGISTER OF PROPERTIES

- (1) *The municipality must draw up and maintain a register in respect of all properties situated within that municipality, dividing such register into part A and part B.*
- (2) *Part A of the register consists of the current valuation roll of the municipality, including any supplementary valuation rolls prepared from time to time.*
- (3) *Part B of the register specifies which properties on the valuation roll or any supplementary valuation rolls are subject to:*
 - (a) *an exemption from rates in terms of Section 15 of the present Act;*
 - (b) *a rebate on or a reduction in the rate in terms of Section 15;*
 - (c) *a phasing in of the rate in terms of Section 21; and*
 - (d) *an exclusion referred to in Section 17.*
- (4) *The register must be open for inspection by the public during office hours, and if the municipality has an official website or a website available to it, the register must also be displayed on that website.*
- (5) *The municipality must, at regular intervals, but at least annually, update part B of the register.*

SECTION 24: PROPERTY RATES PAYABLE BY OWNERS

- (1) *A rate levied by a municipality on property must be paid by the owner of the property.*

- (2) (a) *Joint owners of a property are jointly and severally liable for the amount due for rates on that property.*
- (b) *In the case of agricultural property owned by more than one owner in undivided shares, the municipality must consider whether, in the particular circumstances, it would be more appropriate for the municipality to*
 - i. *hold any one of the joint owners liable for all rates levied in respect of the agricultural property, or*
 - ii. *to hold any joint owner only liable for that portion of the rates levied on the property that represents that joint owner's undivided share in the agricultural property.*

SECTION 25: PAYMENT OF RATES ON PROPERTY IN SECTIONAL TITLE SCHEMES

- (1) *The rate levied by a municipality on a sectional title unit is payable by the owner of the unit, or the holder of a right contemplated in section 25 or 27 of the Sectional Titles Act.*
- (2) *The municipality may not recover the rate on such sectional title unit, or on a right contemplated in section 25 or 27 of the Sectional Titles Acts registered against the sectional title unit*
- (3) *any part of such rate, from the body corporate controlling the sectional title scheme, except when the body corporate itself is the owner of any specific sectional title unit , or the holder of such right.*

SECTION 26: METHOD AND TIME OF PAYMENT

- (1) *A municipality must recover a rate*
 - (a) *on a monthly basis, or less often as may be prescribed in terms of the Municipal Finance Management Act, or*
 - (b) *annually, as may be agreed to with the owner of the property.*
- (2) (a) *If the rate is payable in a single annual amount, it must be paid on or before a date determined by the municipality.*
- (b) *If the rate is payable in installments, it must be paid on or before a date in each period determined by the municipality.*

SECTION 27: AC

ACCOUNTS TO BE FURNISHED

- (1) *A municipality must furnish each person liable for the payment of a rate with a written account specifying:*
 - (a) *The amount due for rates payable;*

- (b) *The date on or before which the amount is payable;*
 - (c) *How the amount was calculated;*
 - (d) *The market value of the property;*
 - (e) *If the property is subject to any compulsory phasing in discount in terms of Section 21, the amount of the discount, and*
 - (f) *If the property is subject to any additional rate in terms of Section 22, the amount due for additional rates.*
- (1) *) A person liable for a rate must furnish the municipality with an address where correspondence can be directed to.*
- (2) *The person liable for payment of the rates remains liable for such payment whether or not such person has received a written account from the municipality. If the person concerned has not received a written account, that person must make the necessary enquiries from the municipality.*

SECTION 28: RECOVERY OF RATES IN ARREARS FROM TENANTS AND OCCUPIERS

- (1) *If an amount due for rates levied in respect of a property is unpaid by the owner of the property after the date determined for payment by the municipality, the municipality may recover the amount in whole or in part from a tenant or occupier of the property, despite any contractual obligation to the contrary on the tenant or occupier. The municipality may recover an amount only after it has served a written notice on such tenant or occupier.*
- (2) *The amount that the municipality may recover from the tenant or occupier is limited to the amount of the rent or other money due or payable, but not yet paid, by such tenant or occupier to the owner of the property.*

SECTION 29: RECOVERY OF RATES FROM AGENTS

- (1) *A municipality may recover the amount due for rates on a property in whole or in part from the agent of the owner, if this is more convenient for the municipality, but only after the municipality has served a written notice on the agent in this regard.*
- (2) *The amount that the municipality may recover from the agent is limited to the amount of any rent or other money received by the agent on behalf of the owner, less any commission due to the agent.*

SECTION 30: GENERAL VALUATION AND PREPARATION OF VALUATION ROLLS

- (1) *A municipality intending to levy a rate on property must cause*
 - (a) *a general valuation to be made of all properties in the municipality, and*
 - (b) *must prepare a valuation roll of all properties in terms of such valuation.*

(2) *All rateable properties in a municipal area must be valued during such general valuation, including those properties partially excluded from rates in terms of Section 17 of the present Act, and*

Provided that ,-

(a) *If the municipality does not intend to levy rates on its own property, on public service infrastructure owned by a municipal entity, on rights in properties, and on properties in respect of which it is impossible or unreasonably difficult to establish a market value, the municipality is not obliged to value such properties as part of the valuation process.*

(b) *A municipality may also apply to the Minister for exemption from the obligation to value properties excluded from rates in terms of Section 17 if the municipality can demonstrate that the valuation of such properties is too onerous for it, given its financial and administrative capacity.*

(3) *All properties valued in terms of subsection (2) must be included in the valuation roll: Provided that properties referred to in section 7(2)(a)(i) and (ii) and 17 must be included in the valuation roll, whether they have been valued or not.*

SECTION 31: DATE OF VALUATION

(1) *For the purposes of a general valuation, a municipality must determine a date that may be not more than 12 months before the start of the financial year in which the valuation roll is to be first implemented.*

(2) *The general valuation must reflect the market values of properties in accordance with*

(a) *market conditions which apply as at the date of the valuation, and*

(b) *in accordance with any other applicable provisions of the present Act.*

SECTION 32: COMMENCEMENT AND PERIOD OF VALIDITY OF VALUATION ROLLS

(1) *A valuation roll*

(a) *takes effect from the start of the financial year following completion of the public inspection period required by the present Act, and*

(b) *remains valid for that financial year or for one or more subsequent financial*

years, as the municipality may decide, but in total not for more than
(i) four financial years in respect of a metropolitan municipality; and
(ii) five financial years in respect of a local municipality

(3) The MEC for Local Government in a province may extend the period for which a valuation roll remains valid –

In the case of –

- (i) A metropolitan municipality, for six financial years; and*
- (ii) A local municipality, for seven financial years*

If the provincial executive has intervened in the municipality in terms of section 139 of the

Constitution, or

(a) In the case of-

(i) A metropolitan municipality, to six financial years; and

(ii) A local municipality, to seven financial years

On request by the municipality, in other exceptional circumstances which warrant such extension

SECTION 46: GENERAL BASIS OF VALUATION

(1) The market value of a property is the amount the property would have realized if sold on the date of valuation in the open market by a willing seller to a willing buyer.

SECTION 47: VALUATION OF PROPERTY IN SECTIONAL TITLE SCHEMES

(1) When valuing a property which is subject to a sectional title scheme, the valuer must determine the market value of each sectional title unit in the scheme.

SECTION 77: GENERAL

(1) A municipality must regularly, but at least once a year, update its valuation roll by causing a supplementary valuation roll to be prepared, or the valuation roll itself to be amended.

Reviewed March 2026