

GOVAN MBEKI MUNICIPALITY: TARIFF BY-LAW

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1. Interpretation

“Constitution” means the Constitution of the Republic of South Africa, 1996;

“Credit Control and Debt Collections By-Law” means the municipality’s **Credit Control and Debt Collections By-Law** as required by sections 96(b), 97 and 98 of the Systems Act;

“municipality” means the **Govan Mbeki Municipality**, established in terms of Section 12 of the Municipal Structures Act, 117 of 1998, and includes any political structure, political office bearer, councillor, duly authorized agent or any employee acting in connection with this by-law by virtue of a power vested in the municipality and delegated or sub-delegated to such political structure, political office bearer, councillor, agent or employee;

“municipality’s tariff policy” means a tariff policy adopted by the municipality in terms of this By-Law;

“Systems Act” means the Local Government: Municipal Systems Act, 32 of 2000;

“tariff” means fees, charges, or any other tariffs levied by the municipality in respect of any function or service provided by the municipality, excluding rates levied by the municipality in terms of the Local Government: Municipal Property Rates Act, 6 of 2004.

2. Principles and Objectives

- (1) Section 229(1) of the Constitution authorizes a municipality to impose:
 - (a) rates on property and surcharges on fees for services provided by or on behalf of the municipality; and
 - (b) if authorized by national legislation, other taxes, levies and duties.
- (2) In terms of section 75A of the Systems Act a municipality may:
 - (a) levy and recover fees, charges or tariffs in respect of any function or service of the municipality; and
 - (b) recover collection charges and interest on any outstanding amount.

- (3) In terms of section 74(1) of the Systems Act, a municipal council must adopt and implement a tariff policy on the levying of fees for a municipal service provided by the municipality or by way of service delivery agreements and which complies with the provisions of the Systems Act, the Local Government: Municipal Finance Management Act, 53 of 2003 and any other applicable legislation.
- (4) In terms of section 75(1) of the Systems Act, a municipal council must adopt by-laws to give effect to the implementation and enforcement of its tariff policy.
- (5) In terms of section 75(2) of the Systems Act, by-laws adopted in terms of subsection 75(1) may differentiate between different categories of users, debtors, service providers, services, service standards and geographical areas as long as such differentiation does not amount to unfair discrimination.

3. Adoption and implementation of tariff policy

- (1) The municipality shall adopt and implement a tariff policy on the levying of fees for a municipal service provided by the municipality or by way of service delivery agreements which complies with the provisions of the Systems Act, the Local Government: Municipal Finance Management Act, 53 of 2003 and any other applicable legislation.
- (2) The municipality shall not be entitled to impose tariffs other than in terms of a valid tariff policy.

4. Contents of tariff policy

The municipality tariff policy shall, inter alia:

- (1) apply to all tariffs imposed by the municipality pursuant to the adoption of the municipality's annual budget;
- (2) reflect the principles referred to in section 74(2) of the Systems Act and specify any further principles for the imposition of tariffs which the municipality may wish to adopt;
- (3) specify the manner in which the principles referred to in section 4(2) are to be implemented in terms of the tariff policy;
- (4) specify the basis of differentiation, if any, for tariff purposes between different categories of users, debtors, service providers, services, service standards and geographical areas as long as such differentiation does not amount to unfair discrimination;
- (5) include such further enforcement mechanisms, if any, as the municipality may wish to impose in addition to those contained in the Credit Control and Debt Collections By-Law.

5. Enforcement of tariff policy

The municipality's tariff policy shall be enforced through the Credit Control and Debt Collections By-Law and any further enforcement mechanisms stipulated in the municipality's tariff policy.

6. Operative Date

This By-Law shall take effect upon publication in the Provincial Gazette.