

**GOVAN MBEKI LOCAL MUNICIPALITY**



***Approved 2024/2025 Tariffs Book***  
***Property Rates***

1. **That**, in terms of Section 2, 7, 8 and 14 of the Local Government: Municipal Property Rates Act 6 of 2004 (“the Act”), read with Section 4(1)(c)(ii) and 11(3)(i) and 75 A of the Local Government: Municipal Systems Act 32 of 2000, the following rates in **Rand BE LEVIED** for the financial year 1<sup>st</sup> July 2024 to 30<sup>th</sup> June 2025, on the market value of property or on the market value of a right in property within the area of jurisdiction of the Govan Mbeki Municipality as appearing in the valuation roll, in respect of the various categories of properties set out below:



2024/2025 FINANCIAL YEAR

TARRIF BOOK

Rates Category	Additional Description: Financial System	Land Use	Reduction & Rebates	Tariff 2023/24	Tariff 2024/25
BUSINESS	AGB-Farms Business & Commercial	Business & Commercial – non-agricultural farms used for business purposes	None	0.027718	0.021807
BUSINESS	SCP-Private Schools or Institutions	Institutional	None	0.027718	0.021807
BUSINESS	INS-Institutions	Institutional		0.027718	0.021807
<i>Agricultural/Farming properties not used for bona fide farming purposes shall be rated according to the actual use thereof;</i>					
BUSINESS	BUS-Business & Commercial BUS-Business & Commercial IND-Industrial	Business & Commercial – (Trading) Business  Industrial	None	0.027718	0.021807
INDUSTRIAL	IND-Industrial	Industrial	None	0.027718	0.021807
<b>Properties in this Categories includes:-</b>					
I. Properties zoned for business, commercial and industrial purposes;					
Properties zoned general, special or undetermined which is used for business, commercial or industrial purposes;					
AGRICULTURAL	FAR-Farms Agricultural	Agriculture	AGRICULTURAL REBATES MPRA (Agricultural Purpose) Rebate 55%	0.002392	0.002509
<i>Properties in this category is limited to properties zoned for agricultural/farming and used predominantly for bona fide farming purposes with the property owner deriving his/her principal source of income from the produce of land /stock farming on such property. This category excludes properties used for purposes of eco-tourism and/or game farming, equestrian estate and non-edible farming.</i>					
MULTIPLE PURPOSE	RSF - Recreational & sporting Facilities	Recreational	None	0.027718	0.021807
I. Properties used for game farming and/or eco-tourism;					
II. Properties zoned private used for recreational or sporting facilities;					
PUBLIC SERVICE PURPOSES	GOS-State Owned Schools	Institutional	None	0.027718	0.021807
I. Properties owned by the State is rateable and will be categorised according to the zoning of the property;					
II. If property owned by the State is zoned for the provision of residential accommodation, the rates must, after presentation of a Certificate of Occupancy, be levied in terms of the residential tariffs; and					
III. Only use classified as State as defined in this policy, will be rated in accordance with the tariff determined for State owned properties.					
PUBLIC SERVICE PURPOSES	GOV-State Owned	Institutional	None	0.027718	0.021807
I. Properties owned by the State is rateable and will be categorised according to the zoning of the property;					
II. If property owned by the State is zoned for the provision of residential accommodation, the rates must, after presentation of a Certificate of Occupancy, be levied in terms of the residential tariffs; and					
III. Only use classified as State as defined in this policy, will be rated in accordance with the tariff determined for State owned properties.					
MULTIPLE PURPOSE	ResCon – Residential Consent Use	Multi-Purpose	None	0.014354	0.015057
<b>A consent use is an extended right to use land or to erect and use a building on the land granted in terms of an applicable Town Planning Scheme; provided that:-</b>					
I. Any property zoned for residential purposes in respect of which a consent use has been granted for any business, commercial and/or industrial purpose shall be rated as residential with consent use;					
II. If a consent use is granted, the category of the property concerned will be updated in the valuation roll or supplementary valuation roll, as the case may be, to reflect residential with consent use;					
III. If a consent use lapse, falls away by the efflux ion of time, is withdrawn or ceases to be applicable for any other reasons, the owner of the property concerned may apply to the Council for the re-instatement of the residential rate. If approved, the residential rate shall be re-instated as from the date that Council is satisfied that the property is being used for residential purposes only in terms of the zoning thereof;					
IV. Where a residential property with a market value less than that specified in the threshold (60 000) is partially used for non-residential purposes, such property will remain in the category of residential; and Consent use granted on any property other than referred to in (i) above will result in that property being rated at the tariff applicable to the purpose of the consent within the range of property categories set out in the Property Rates Policy.					
MINING	MIN-Mining & Quarries	Mining	None	0.027718	0.021807
<i>Properties used for mining purposes or purposes incidental to mining operations must be rated as if zoned business and/or commercial.</i>					
MUNICIPAL	MUN-Municipal	Institutional	STANDARD REDUCTION AND REBATES MPRA (Municipal): Rebate 100%	0.009571	0.010040
<i>All properties owned or vested in the Council are not rateable.</i>					
MULTIPLE PURPOSE	MUPR-Multiple Purpose Residential	Multipurpose	None	0.013789	0.013789



Where a property's zoning allows more than one permitted use and where the use of the property is used dominantly (Fifty plus one percent) for residential purposes the entire property will be rated in accordance with the residential tariff. Only if the property owner submits a declaration duly certified by a registered town planner as to the purpose the property is being used for, so that it can be rated accordingly. However the residential rebate will not apply.

MULTIPLE PURPOSE	MUPR-Multiple Purpose Business	Multipurpose	None	0.014354	0.015057
Where a property's zoning allows for more than one permitted use and where the use of the property is used dominantly (Fifty plus one percent) for business and commercial purposes the entire property will be rated in accordance with the business rate.					
PUBLIC BENEFIT ORGANISATIONS	PBO-Public Benefit Organisations	Institutional		0.002392	0.002509
Properties in this category shall be rated according to the prevailing nationally promulgated rates ratio based on usage of property subject to:- I. The Public benefit organisation providing the Council with 3 years audited financial statements and can prove to the Council that it is not in the financial position to pay the full rates; II. A Public benefit organisation is required III. Any property not falling within the ambit of bullet number (I) shall be deemed to be business and commercial for the purpose of levying a rate.					
PUBLIC SERVICE PURPOSES	POS-Public Open Space	Open Space	STANDARD REDUCTION AND REBATES MPRA (Municipal): Rebate 100%	0.009571	0.010040
CONSERVATION / NATURE RESERVE	PRO-Protected Areas	Conservation	STANDARD REDUCTION AND REBATES MPRA (Protected Areas): Rebate 100%	0.009571	0.010040
PUBLIC SERVICE PURPOSES	PRR-Streets/Roads	Streets		0.009571	0.010040
PUBLIC SERVICE INFRASTRUCTURE	PSI-Public Service Infrastructure	Utilities	STANDARD REDUCTION AND REBATES MPRA (Infrastructure)	0.002392	0.002509
Property falling within this category shall be rated at the prevailing ratio as promulgated by MPRA Regulations.					
PRIVATE TOWNS	PVT-Private Town	Open Space	Rates Policy Rebate 75%	0.009571	0.010040
RESIDENTIAL	RES-Residential RES-Residential INF-Informal Residential	Residential Residential Residential	STANDARD REDUCTION AND REBATES MPRA (Residential): Reduction R 15, 000. Rates Policy Rebate R45,000	0.009571	0.010040
<b>Residential Property shall include:-</b> I. Properties zoned and used for residential purposes but excluding any business or commercial zoned properties with a residential component or residential with consent use; The Council will not levy a rate on the first value up to R60 000 of the market value as per the Valuation Roll of Residential Properties, as follows:- <ul style="list-style-type: none"> <li>On the first R15 000 on the basis set out in Section 17(1)(h) of the Municipal Property Rates Act (Act No.6 of 2005); and</li> <li>On the balance of the market value up to R45 000 in respect of residential properties, provided that Council may from time to time during its annual budget process contemplated in Section 12(2) of the Municipal Property Rates Act determine, as threshold, the amount to be deducted from the market value of residential properties as a result of which rates will only be determined on the balance of the market value of such properties after deduction of the threshold amount.</li> </ul> Where a property is zoned institutional but the actual usage is residential the owner of such property shall be required to apply to the Council in writing for the levying of property rates at a tariff lower than that applied to the business, commercial and industrial category. The Council has the right to call for documentary evidence and/or conduct a physical inspection of the residential, the scale of residential property value reductions and rebates will be applicable to such properties.					
RESIDENTIAL	UDT-Unregistered	Undetermined		0.009571	0.010040
PLACE OF WORSHIP	WOR-Places of Worship	Institutional	STANDARD REDUCTION AND REBATES MPRA (Places of Worship): Rebate 100%	0.009571	0.010040
Properties in this category refers to property registered in the name of and used primarily 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.					
MULTIPLE PURPOSE	AER-Accommodation Establishment	Residential	None	0.014354	0.015057
A dwelling house which is used for the purpose of letting individual and family rooms for residential accommodation, with or without meals, and which exceeds the restrictions of a bona fide residential dwelling.					
VACANT LAND				0.009571	0.010040

- That, the rates levied in terms of paragraph 1 above **SHALL BECOME DUE** and **PAYABLE** in twelve equal instalments on fixed days for twelve consecutive months, these being the due date stipulated in the account sent to the ratepayer.
- That, interest at prime **WILL BE CHARGED** per month or part thereof on all arrear assessment rates.
- That, in terms of Section 15(1)(b) of the Local Government: Municipal Property Rates Act, No 6 of 2004, read with Council's Property Rates Policy, the following reduction in market value



and rebates **BE GRANTED** on the rate levied for the Financial Year 2024/2025 to any owner of rateable property in the following circumstances:

- In terms of Section 17(h) of the Local Government: Municipal Property Rates Act, No 6 of 2004, the impermissible value of the market value of a property assigned to the residential category in the valuation roll or supplementary valuation roll, be determined as **R 15, 000**. In addition to this rebate, a further **R 45, 000.00** reduction on the market value of a property will be granted in terms of the Councils own Property Rates Policy.
- **Indigent Households** – Owner of residential property, registered in terms of Council’s approved Indigent Policy, be subsidized in accordance with the Indigent policy and will not form part of a rebate in terms of the MPRA.
- **Child-headed households** – That a child-headed household registered in terms of Council’s approved Indigent Policy, be subsidized in accordance with the Indigent policy and will not form part of a rebate in terms of the MPRA.
- **Aged/Pensioners reduction, Disability grantees and Medically Boarded persons** – that in addition to the reduction in terms of Section 17(h) of the Local Government: Municipal Property Rates Act, No 6 of 2004, subject to the requirements as set out in the Council’s Property Rates Policy, an additional rebate be granted in respect of sliding scale based on average monthly disposable earnings:
  - **The applicant must:**
    - a) Be the registered owner of the property or registered as “Life right use” tenant in the Deeds office;
    - b) Produce a valid identity document;
    - c) Must at least be 60 years of age upon application, provided that where couples are married in community of property and the property is registered in both their names, the age of the eldest will be the qualifying factor, or approved disability grantee, or approved medically boarded person;
    - d) Not be in receipt of Indigent subsidy as per Council’s indigent register;
    - e) Must reside permanently on the property concerned which consists of one dwelling only and no part thereof is sub-let;
    - f) Confirm the aforementioned details by means of a sworn affidavit and/or latest income tax assessment;
    - g) On approval, the following rebates will be applicable:

Average Monthly Earnings in Respect of Preceding 12 Months	Rebate
R 0.00 to R 2, 500.00	100% rebate on Property Rates
R 2, 500.00 to R 3, 500.00	80% rebate on Property Rates
R 3, 500.00 to R 4, 500.00	60% rebate on Property Rates
R 4, 500.00 to R 5, 500.00	40% rebate on Property Rates
R 5, 500.00 to R 7, 500.00	20% rebate on Property Rates



- h) That the minimum “average monthly disposable earnings” be adjusted annually and effective in accordance with National Government Budget announcement in respect of state pensioners.
- **Municipal** – That non-trading service be exempted from paying of property rates.
  - **Sporting Bodies** – used for the purpose of amateur sport and any social activities which are connected to sports: 90% rebate in respect of the amount levied as rates on the relevant property but subject to existing agreement between club and Council not determining a different position.
  - **Welfare organisations** registered in terms of the National Welfare Act, 1978 (Act No 100 of 1978), 100% rebate in respect of the amount levied as rates on the property.
  - **Public Benefit Organisations/Non-Governmental Organisations (NGO's) and Cultural Organisations** approved in terms of Section 30 of the Income Tax Act (Act No 58 of 1962), read with Items 1, 2 and 3 of the Ninth Schedule to that Act, 100% rebate in respect of the amount levied as rates on the property.
  - **Protected areas/Nature reserves/Conservation areas** – that protected areas/nature reserves/conservation areas be exempted from paying of property rates.
  - **Private Schools, Universities, Colleges and Crèches:**
    1. Private (independent) primary and secondary schools (regardless of whether subsidized or not), registered as educational institutions, a rebate of between 70% and 100% in respect of the amount levied as rates on the relevant property, subject to prior application and submission of prior years’ audited financial statements. Rebate will be adjusted negatively in accordance with percentage ratio between net profit and gross income in the following categories

Net Profit after Tax Percentage			Net Rebate Percentage
0.00%	to	10.00%	100%
10.01%	to	20.00%	90%
20.01%	to	30.00%	80%
30.01%	to	40.00%	70%

2. Private (Independent) Universities and Colleges, registered as educational institutions not subsidized by State, 20% rebate in respect of the amount levied as rates on the relevant property.
  3. Crèches, registered as educational institutions, 100% rebate in respect of the amount levied as rates on the property.
- **Agricultural Rebate (Property used for Agricultural Purpose)**  
Up to 55% rebate may be granted to qualifying agricultural properties based on the extent of services supplied to such properties in general, and the contribution of agriculture to the local economy, in terms of Subsection 3(4) of the Local Government: Municipal Property Rates Act (Act No 6 of 2004)  
**The percentage is based on the following criteria:**

No Municipal Roads next to the property	7.5%
No Municipal Sewerage to the property	7.5%
No Municipal Electricity to the property	7.5%
No Refuse removal provided by the Municipality	7.5%



No Water is supplied by the Municipality 20.0%

The contribution of agriculture to the local economy 5.0%

➤ **Privately owned towns fully developed by the owner**

The Municipality grants an additional rebate, which applies to privately owned towns serviced by the owner. The 75% rebate will be granted on residentially and non-residentially zoned properties that are not serviced by the Municipality but subject to the following conditions:

- i. That no engineering certificate has been issued on the property with a view to a sale/transfer taking place.
- ii. Title Deed must not have been transferred to the owner.

