

ANNEXURE C5

E. Assessment Rates & Interest on Arrears

DATE OF IMPLEMENTATION:

1 July 2017

Accounts / Services delivered on/ from 1 July 2017

Interest on Arrears - all services:

10.00%

Per Year

Tariff Code: IN0001

Interest on arrears is calculated on repo rate: 1 July + 3%, - July repo rate 2017 = 7%

CATEGORIES OF PROPERTY AND RATES APPLICABLE TO EACH CATEGORY (PART 5) PER YEAR

Tariff Assessment Rates - Cent in the Rand

Description of Categories:

- Residential Properties
 - The first R15 000 of the market value (Valuation Rebate) of all residential properties and of all properties used for multiple purposes,
 - The next R40 000.00 of the market value of all residential properties, as a rebate
 - Sectional titles: Sheds, Garden , Yards & Parking
- Industrial Properties
- Business & Commercial Properties
- Farm Properties used for Agricultural purposes
- Farm Properties not used for any purpose
- Government Properties
- Municipal Properties
- Public Service Infrastructure (Less 30% of the Market Value.)
 - PSI : Less 30% of the Market value. See (Sec 17 e,d & f) Not phasing-out.
- Phasing-out of PSI over (5) year period
 - Privately owned town serviced by the owner
- Less 20% (1st Year- 2015
- Communal Land
- Protected Areas
- Properties on which national monuments are proclaimed
- Properties owned by public benefit organizations and used for any specific public benefit activities
- Properties used for Mining purposes
- Properties used for Public Worship (Churches) Property registered in the name of
 - and used primarily as a place of worship by a religious community, including an official residence (Rebate 100%)
- Undeveloped properties (Vacant land)
- Unregistered Properties

****The new Municipal Valuation Roll implemented from 1 July 2015 till 30 June 2019 - valuation date "1 July 2014"

Non-Rate able Categories:

- Municipal Properties
- Vacant Land - Owner is Msukaligwa Municipality
- MUN
- VAC

| | | 2016/2017 | 2017/2018 |
|-------------|-------------------------|-------------------------------------|-------------|
| | | 0.0072432 | 0.0077068 |
| Categories: | Rate (Cent in the Rand) | Rebates: | |
| RES | R 0.00 | Less 15% | R 0.0077068 |
| VA1401 | 0.007243 | | R 0.0077068 |
| VA1413 | 0.007243 | | R 0.0077068 |
| VA1408 | 0.018108 | | R 0.0192669 |
| VA1402 | 0.018108 | | R 0.0192669 |
| VAL001 | 0.001811 | Less 10% | R 0.0019267 |
| VAL003 | 0.001811 | | R 0.0019267 |
| VA1403 | 0.001811 | | R 0.0192669 |
| VA1404 | 0.016297 | | R ZERO |
| VA1491 | ZERO | Less 30% | R 0.0019267 |
| VA1490 | 0.001811 | | R 0.0019267 |
| VA1405 | 0.007243 | Less 60% (phasing-out)- 30%= 90% | R 0.0077068 |
| VA1410 | EXEMPT | | R EXEMPT |
| VA1411 | EXEMPT | | R EXEMPT |
| VA1412 | EXEMPT | | R EXEMPT |
| VA1499 | 0.001811 | | R 0.0019267 |
| VA1495 | 0.018108 | | R 0.0192669 |
| VA1407 | EXEMPT | | R EXEMPT |
| VA1406 | 0.018108 | | R 0.0192669 |
| VA1409 | ZERO | | R ZERO |

Assessment Rates - Tariff - Ratios:

(See Regulations on the rate ratio between the Residential and non-Residential Categories of Properties)

| | R 0.00 | 2017/2018 | |
|--|--------|-----------|--|
| Residential Properties | 1.00 | 0.007707 | Residential Properties |
| Business Properties | 2.50 | 0.019267 | Business Properties |
| Agriculture Properties | 0.25 | 0.001927 | Agriculture Properties |
| Public Service Infrastructure (PSI) | 0.25 | 0.001927 | Public Service Infrastructure (PSI) |
| Public Service Infrastructure (PSI) | 0.25 | 0.001927 | Public Service Infrastructure (PSI) |
| (Phasing -out over 5 Year- started 1/7/2015) | | | (Phasing -out over 5 Year- started 1/7/2015) |
| Public Benefit Organisations Property | 0.25 | 0.001927 | Public Benefit Organisations Property |
| Government Properties (tariff discount) | 2.25 | 0.019267 | Government Properties (tariff discount) |
| Municipal Properties / (Non-Rate able) | 0.00 | 0.000000 | Municipal Properties / (Non-Rate able) |

| |
|-----------|
| R 0.00 |
| 0.0072432 |

| | |
|-----------|--------------------------|
| 2017/2018 | Rebates Section 15 NMPRA |
| 0.0077068 | |

| Category: | Less: |
|-----------|----------------------------|
| RES | Less 15% |
| BUS | Less 10% |
| FAR | Less 30% |
| PSI | 60% (phasing-out)-30%= 90% |
| PSI | |
| PUB | |
| GOV | |
| MUN | |

EXEMPTIONS, REBATES AND REDUCTIONS ON RATES (PART 6)

EXEMPTIONS

- 1.) The first R15 000 of the market value of all residential properties and of all properties used for multiple purposes, provided one or more components of such properties are used for residential purposes, is exempt from the payment of rates in terms of Section 17(1)(h) of the Property Rates Act. (Paragraph 6.1.1)
- Properties identified in terms of paragraph 6.1.2 to 6.1.8 of this policy.
- 2.) **The next R40 000.00 of the market value of all residential properties, is a rebate cause by the increasing of the Market Value.**

REBATES AND REDUCTIONS

1. Rebates

In terms of section 15 of the Local Government : Municipal Property Rates Act, No. 6 of 2004 the following rebates are granted:

- (a). The Municipality grants an additional rebate, to be determined on an annual basis, to the category RES for Residential properties, for Agricultural properties and GOV for Government properties.

| Category: | 2017/2018 | 2017/2018 |
|-----------|-------------------------|---------------------------------|
| | % | % |
| RES | Residential Properties | Less 15% |
| GOV | Government Properties | 0% |
| PSI | Phasing -out | Less 60% (phasing-out)-30%= 90% |
| FAR | Agricultural Properties | Less 10% |
| BUS | Business | 0% |

2. Indigents:

Indigents will be subsidized in accordance with the indigent policy adopted by Council and will not form part of a rebate in terms of the MPPRA

3. PENSIONERS AND MEDICAL UNFIT APPLICANT (DISABLED)

- Owners who qualify in terms of the criteria determined in this policy will be granted an additional rebate based on the tariff applicable on residential properties.
- The maximum income and rebate on each category of income for the 2014/2015 financial year are determined as follow:

| Monthly household income | | Income per Month: | | % Rebate |
|--------------------------|--------|-------------------|--|----------|
| 2016/2017 | | 2017/2018 | | |
| R0 to R3 500 | VA6100 | R0 to R4 000 | | 100% |
| R3 501 to R4 000 | VA6080 | R4 001 to R4 500 | | 80% |
| R4 001 to R4 500 | VA6060 | R4 501 to R5 000 | | 60% |
| R4 501 to R5 000 | VA6040 | R5 001 to R5 500 | | 40% |
| R5 001 to R5 500 | VA6020 | R5 501 to R6 000 | | 20% |

CHARGES FOR LODGING OF OBJECTIONS

1 Lodge of objection with the Accounting Officer against any matter reflected in the General Valuation Roll, or Supplementary Valuation Roll - R250.00 (R285.00) vat inc.

| Public Service Infrastructure Phasing -out: | | |
|---|------|-------|
| 1 | 2015 | -20% |
| 2 | 2016 | -40% |
| 3 | 2017 | -60% |
| 4 | 2018 | -80% |
| 5 | 2019 | -100% |