



MUNICIPAL PROPERTY RATES POLICY

FINAL - 2022-23

APPROVED BY COUNCIL

DATE: 27 MAY 2022

Council resolution no: UMHC123

TABLE OF CONTENTS

1	PART ONE: PREAMBLE	3
2	PART TWO: DEFINITIONS	4
3	PART THREE: THE PURPOSE OF THE POLICY	21
4	PART FOUR: FUNDAMENTAL PRINCIPLES OF THIS POLICY	21
5	PART FIVE: IMPLEMENTATION OF THIS POLICY AND EFFECTIVE DATE	22
6	PART SIX: EQUITABLE TREATMENT OF RATEPAYERS	22
7	PART SEVEN: DISCRETIONARY DECISIONS ADOPTED BY THE MUNICIPALITY WITH RESPECT TO LEVYING PROPERTY RATES	23
8	PART EIGHT: CATEGORIES OF PROPERTIES FOR DIFFERENTIAL RATING PURPOSES	24
9	PART NINE: RELIEF MEASURES FOR RATEPAYER	26
10	PART TEN: RELIEF MEASURES FOR USE CATEGORIES AND OWNER CATEGORIES.	26
12.	PART TWELVE : RECOVERY OF RATES	36
13.	PART THIRTEEN: CONSOLIDATION AND APPORTIONMENT OF PAYMENTS	37
14.	PART FOURTEEN: DEFERMENT OF RATES	38
15.	PART FIFTEEN : IMPERMISSIBLE RATES IN TERMS OF SECTION 17 OF THE ACT	38
16.	PART SIXTEEN : CONSTITUTIONALLY IMPERMISSIBLE RATES	39

1 PART ONE: PREAMBLE

Whereas:

- 1.1 Section 229 of the Constitution of the Republic of South Africa (Act 108 of 1996) provides that a municipality may impose rates on property;
- 1.2 The Local Government: Municipal Property Rates Act (Act 6 of 2004) regulates the power of a municipality to impose rates on property;
- 1.3 In terms of the Municipal Property Rates Act a municipality:
 - 1.3.1 may levy a rate on property in its area; and
 - 1.3.2 must exercise its power to levy a rate on property, subject to:
 - (a) section 229 and any other applicable provisions of the Constitution;
 - (b) the provisions of the Municipal Property Rates Act; and
 - (c) its rates policy;
- 1.4 Umhlabuyalingana Municipal Council has resolved to levy rates on the market value of all rateable properties within its area of jurisdiction;
- 1.5 The municipality must, with regard to section 3 of the Municipal Property Rates Act, adopt a rates policy consistent with the provisions of the said Act on the levying of rates in the municipality;
- 1.6 In terms of section 4 of the Local Government: Municipal Systems Act (Act 32 of 2000), the municipality has the right to finance the affairs of the municipality by imposing, inter-alia, rates on property; and
- 1.7 In terms of section 62 of the Local Government: Municipal Finance Management Act (Act 56 of 2003), the Municipal Manager must ensure that the municipality has and implements a rates policy.

2 PART TWO: DEFINITIONS

All words and phrases in this policy shall have the same meaning and interpretation as assigned in terms of the Local Government: Municipal Property Rates Act, Act 6 of 2004, and unless the context indicates otherwise:-

Act	Means the Local Government: Municipal Property Rates Act (Act 6 of 2004).
Agent	In relation to the owner of a property, means a person appointed by the owner of the property: (a) to receive rental or other payments in respect of the property on behalf of the owner; or (b) to make payments in respect of the property on behalf of the owner.
Agricultural property	Property that is used for the production of crops, livestock or other generally recognized agricultural activities, together with those buildings which are also generally considered necessary for these agricultural activities. Agricultural property excludes the use of a property for the purpose of eco-tourism or for the trading in or hunting of game as defined in the Act as “agricultural purpose.” Any vacant land outside the area of a scheme for which no development rights have been granted in terms of any planning law must be considered as agricultural land and valued accordingly.
Agricultural purpose	In relation to the use of a property, excludes the use of a property for the purpose of ecotourism or for the trading in or hunting of game.
Annually	Means once every financial year.
Appeal board	Means a valuation appeal board established in terms of

section 56 of the Act.

Assistant municipal valuer

Means a person designated as an assistant municipal valuer in terms of section 35(1) of the Act.

Bed and Breakfast

Means an establishment, which is primarily a dwelling and makes excess rooms available to transient guests. The bathrooms may or may not be en suite. This establishment may be managed by the owner and/or a designated person. Breakfast may be available for guests. Public areas are usually shared by guests and owners/hosts alike.

Back-packer lodge

Means a commercial accommodation establishment where beds are available to guests in communal rooms.

Business or Commercial property

Means –

- (a) Property used for the activity of buying, selling or trading in commodities or services and includes any office or other accommodation on the same property, the use of which is incidental to such activity;
- (b) Property on which the administration of the business of private or public entities takes place;
- (c) property used for the provision of commercial accommodation;
- (d) property used for education purposes;
- (e) Property used by the State or any organ of State; or
- (f) Property excluded from any other category of property.

Category

- (a) In relation to property, means a category of property determined in terms of section 8 of the Act; and
- (b) In relation to owner of property, means a category of owner determined in terms of section 15 (2) of the Act

and rates policy.

Commercial accommodation

Means lodging or board and lodging, together with domestic goods and services, in any house, flat, apartment, room, hotel, motel, Inn, guesthouse, bed & Breakfast, boarding house, residential establishment, holiday accommodation, student accommodation, unit, chalet, tent, caravan, camping site or similar establishment which is regularly or systematically supplied but excludes a dwelling supplied in terms of an agreement for letting and hiring thereof.

Communal property

Means a property where there is a single registered cadastral holding and where the property is held or developed predominately for Rural Residential purposes and which may be used for multiple purposes including agricultural property, state occupied property, residential, rural residential and non-residential property, which, in the case of a property used for multiple purposes, the use will be assigned to a category of property, the value apportioned and rates levied accordingly, as contemplated in section 9 (2) of the Act.

The Communal property's land extent can vary and be adjusted according to deductions or the reinstatement of separate recognised property for rating due to the apportionment of values and adjustment of property.

Constitution

A body of fundamental principles or established precedents according to which our State is governed and as embodied and promulgated per Act 108 of 1996.

Data-collector

Means a person designated as a data-collector in terms of section 36 of the Act.

Disable

Means a person who qualifies to receive relief in terms of the Social Services Act, 1992 (Act No. 59 of 1992) or has been

certified as disabled by a medical practitioner and qualifies in terms of the income threshold as defined in the Council's Customer Care Policy.

Day

Means when any number of days are prescribed for the performance of any act, those days must be reckoned by excluding the first and including the last day ,unless the last day falls on a Saturday ,Sunday or any public holiday, in which case the number of days must be reckoned by excluding the first day and also any such Saturday ,Sunday or Public holiday .

Disaster

Means a disaster within the meaning of the Disaster Management Act (Act 57 of 2002) or any other serious adverse social or economic condition as adopted by a Council resolution from time to time.

Disaster area

Means owners of property situated within an area affected by:

- (a) a disaster within the meaning of the Disaster Management Act 57 of 2002;
- (b) any other serious adverse social or economic conditions;

.

District Municipality

Means a municipality that has municipal executive and legislative authority in an area that includes more than one municipality, and which is described in section 155 (1) of the Constitution as a category C municipality.

Dominant use

In relation to a property means a property used for more than one purpose subject to section 9 (1) (b) and the following criteria applies -

- (a) A dominant use approach may be applied to developed property located within the area of an approved town

planning scheme granted in terms of any planning law;

(b) The dominant use is the highest percentage use of all actual uses determined by gross building area;

(c) The dominant use category of property will then be applied to the levying of rates.

Dominant use may not be used for Communal property used for multiple purposes or property used for multiple purposes where there is a large surplus land component, or for property where there is rateable and non-rateable portions.

Effective date

(a) In relation to a valuation roll, means the date on which the valuation roll takes effect in terms of section 32(1) of the Act; or

(b) In relation to a supplementary valuation roll, means the date on which a supplementary valuation roll takes effect in terms of section 78(2)(b) of The Act.

Equitable treatment of ratepayers

Means the fair, just and impartial treatment of all ratepayers.

Exclusion

In relation to a municipality's rating power, means a restriction of that power as provided for in section 17 of the Act.

Exemption

In relation to the payment of a rate, means an exemption granted by a municipality in terms of section 15 of the Act.

Financial year

Means the period starting from 1 July in a year to 30 June the next year.

Formally Protected Areas

Means those parts of a special nature reserve, national park or nature reserve within the meaning of the Protected Areas Act, or of a national botanical garden within the meaning of the National Environmental Management: Biodiversity Act, 2004 which are not developed or used for commercial, business, residential or agricultural purposes.

Guest House	Means a commercial accommodation establishment with between 5 and 10 bedrooms available to guests.
Illegal development	Means a building erected without approval or compliance with the National Building Regulations and building standards Act No. 103 of 1977 as amended and other related legislation.
Income Tax Act	Means the Income Tax Act, 1962 (Act No. 58 of 1962).
Indigent owner	Means an owner of low-cost property at a value determine by the municipality who has permanent occupation of a property and qualifies for indigent relief in terms of the Council's Customer Care policy.
Land reform beneficiary	In relation to a property read with section 17 (1) (g), means a person who: (a) acquired the property through - (i) the Provision of Land and Assistance Act, 1993 (Act No. 126 of 1993); or (ii) the Restitution of Land Rights Act, 1994 (Act No. 22 of 1944); (b) holds the property subject to the Communal Property Associations Act, 1996 (Act No. 28 of 1996); or (c) holds or acquires the property in terms of such other land tenure reform legislation as may pursuant to section 25(6) and (7) of the Constitution be enacted after the Act has taken effect.
Land tenure right	Means and old order right or new order right a land tenure right as defined in section 1 of the Communal Land Right ,2004 (Act No. 11 of 2004) Upgrading of Land Tenure Rights Act,1991 (Act No.112 Of 1991). <i>“(vii) “land tenure right” means any leasehold, deed of grant,</i>

quitrent or any other right to the occupation of land created by or under any law and, in relation to tribal land, includes any right to the occupation of such land under indigenous law or customs of the tribe in question.”

Legal entity

In law an entity is something which is capable of bearing legal rights and obligations, has a distinct separate existence.

Local community

In relation to a municipality:

- (a) means that body of persons comprising:
 - (i) the residents of the municipality;
 - (ii) the ratepayers of the municipality;
 - (iii) any civic organisations and nongovernmental, private sector or labour organisations or bodies which are involved in local affairs within the municipality; and
 - (iv) visitors and other people residing outside the municipality who, because of their presence in the municipality, make use of services or facilities provided by the municipality.
- (b) includes, more specifically, the poor and other disadvantaged sections of such body of persons.

Local municipality

Means a municipality that shares municipal executive and legislative authority in its area with a district municipality within whose area it falls, and which is described in section 155(1) of the Constitution as a category B municipality.

Market value

In relation to a property, means the value of the property determined in accordance with section 46 of the Act.

MEC for Local Government

Means the member of the Executive Council of a province who is responsible for local government in that province.

Mining property

Means a property used for mining operation as defined in the Mineral and petroleum resources development Act, 2002 (Act

No.28 of 2002)

Minister	Means the cabinet member responsible for local government.
Multiple purpose category of property	In relation to a property, means the use of a property for more than one purpose and subject to section 9 (1) (c), 8 (2) (i) and subject to apportionment of value in terms of 9 (2), where the value is apportioned based on the different purposes for which the property is being used and applying the rate applicable to the categories determined by the municipality. This approach is suitable for property outside the area of a town planning scheme and used for more than one purpose, urban property within the area of a town planning scheme used for more than one purpose and where there is a large surplus land holding, and for property which has both ratable and non-ratable portions. The municipal valuer will determine the categories of property and the applicable apportioned values of each different use for the levying of rates.
Municipal Finance Management Act	Means the Local Government: Municipal Finance Management Act 2003 (Act N°. 56 of 2003).
Municipal Manager	Means a person appointed in terms of section 82 of the Municipal Structures Act.
Municipal owned property	Means property owned by the municipality.
Municipal leases	Means property owned by the municipality and leased to another party. The municipality reserves the right to recover municipal rates against all properties registered in the name of the municipality over which a portion or all of its property is leased either through an existing lease agreement where rates are exclusive or through the provisions of the Act. Rates

	payable will be based on the rates category and market value as contained in the Valuation Roll.
Municipal Structures Act	Means the Local Government: Municipal Structures Act, 1988 (Act No. 117 of 1998).
Municipal Systems Act	Means the Local Government: Municipal Systems Act 2000 (Act No. 32 of 2000).
Municipal valuation	Means a valuation of a rateable property within the municipal area by the Municipal Valuer in terms of the Act.
Municipal Valuer	Means a person designated as a Municipal Valuer in terms of section 33(1) of the Act.
National Building Regulations (NBR)	Means the National Building Regulations and standards Act No. 103 of 1977, as amended.
Newly Ratable Property	Is any ratable property on which property rates were not levied before the end of the financial year proceeding the date on which this Act took effect, excluding: <i>Property that was incorrectly omitted from a valuation roll and for that reason was not rated before that date.</i> <i>Property identified by the Minister by notice in the Gazette where the phasing-in of a rate is not justified.</i>
Occupier	In relation to a property, means a person who occupies the property, whether or not that person has a right to occupy the property.
Office bearer	In relation to places of public worship, means the primary person who officiates at services at that place of worship.
Official residence	In relation to places of public worship ,means (a) a portion of the property used for residential purposes; or (b) one residential property ,if the residential

property is not located on the same property as the place of public worship, registered in the name of a religious community or registered in the name of a trust established for the sole benefit of a religious community and used as a place of residence for the office bearer

Organ of state

Means an organ of state as defined in section 239 of the Constitution.

Owner

- (a) In relation to a property referred to in paragraph (a) of the definition of property, means a person in whose name ownership of the property is registered;
- (b) In relation to a right referred to in paragraph (b) of the definition of property, means a person in whose name the right is registered;
- (bA) In relation to a time sharing interest contemplated in the Property Time Sharing Control Act ,1983(Act No 75 of 1983) , means the management associations contemplated in the regulation made in terms of 12 of the property Time Sharing Control Act 1983, and published in Government Notice R327 of February 1984
- (bB) In relation to a share in a share block company, the share block company as defined in the Share Block Control Act, 1980 (Act No. 59 of 1980)
- (bC) In relation to buildings, other immovable structures and infrastructure referred to in section 17 (1)(f), means the holder of the mining right or the mining permit
- (c) In relation to a land tenure right referred to in paragraph (c) of the definition of property , means a person in whose name the right is registered or to whom it was granted in terms of legislation; or

- d) In relation to public service infrastructure referred to in paragraph (d) of the definition of property, means the organ of state which owns or controls that public service infrastructure as envisaged in the definition of “publicly controlled”;

provided that a person mentioned below may for the purposes of the Act be regarded by a municipality as the owner of a property in the following cases:

- (i) a trustee, in the case of a property in a trust excluding state trust land;
- (ii) an executor or administrator, in the case of a property in a deceased estate;
- (iii) a trustee or liquidator, in the case of a property in an insolvent estate or in liquidation;
- (iv) a judicial manager, in the case of a property in the estate of a person under judicial management;
- (v) a curator, in the case of a property in the estate of a person under curatorship;
- (vi) a person in whose name a usufruct or other personal servitude is registered, in the case of a property that is subject to a usufruct or other personal servitude;
- (vii) a lessee, in the case of property that is registered in the name of the municipality or Ingonyama Trust and is leased by it; or
- (viiA) A lessee in the case of property to which a land tuner right applies and which is leased by the holder of such right
- (viii) a buyer, in the case of a property that was sold by a municipality and of which possession was given to the buyer pending registration of ownership in the name of the buyer.
- (ix) In relation to a time sharing interest contemplated in the Property Time Sharing Control Act ,1983(Act No 75 of 1983) , means the management associations contemplated in the regulation made in terms of 12 of the property Time Sharing Control Act 1983, and published in Government Notice R327 of February 1984

Pensioner

Means a person that :

- (a) must be 60 years of age;
- (b) who is the sole owner of the property, or owner jointly with his/her spouse;
- (c) does not own another property within the municipality.

Permitted use

In relation to a property, means the limited purposes for which the property may be used in terms of -

- (a) Any restrictions imposed by:
 - (i) a condition of title;
 - (ii) a provision of a town planning or land use scheme; or
 - (iii) any legislation applicable to any specific property or properties; or
- (b) Any alleviation of any such restrictions.

Person

Includes an organ of state, human being, companies, partnerships, trustees, legal representative

Places of public worship

Means the property used primarily for the purposes of congregation ,excluding a structure that is primary used for educational instruction in which secular or religious education is the primary instructive medium :provided that the property is-

- (a) registered in the name of the religious community;
- (b) registered in the name of a trust established for the sole benefit of a religious community;or
- (c) subject to a land tenure right

Prescribe	Means prescribe by regulation in terms of section 83 of the Act.
Property	Means: (a) immovable property registered in the name of a person, including, in the case of a sectional title scheme, a sectional title unit registered in the name of a person/legal entity; (b) a right registered against immovable property in the name of a person/legal entity, excluding a mortgage bond registered against the property; (c) a land tenure right registered in the name of a person/legal entity or granted to a person/legal entity in terms of legislation; or (d) public service infrastructure.
Property register	Means a register of properties referred to in section 23 of the Act.
Protected area	Means an area that is or has to be listed in the register referred to in section 10 of the Protected Areas Act.
Protected Areas Act	Means the National Environmental Management: Protected Areas Act, 2003.
Public Benefit Organization	Means a property where the dominant activity is listed in item 1 (welfare and humanitarian), item 2 (health care) and item 4 (education and development) of Part 1 of the Ninth Schedule to the Income Tax Act.
Publicly controlled	Means owned by or otherwise under the control of an organ of state, including: (a) a public entity listed in the Public Finance Management Act, 1999 (Act No.1 of 1999);

- (b) a municipality; or
- (c) a municipal entity as defined in the Municipal Systems Act.

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, 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, forming part of a scheme for transporting such 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 and the air traffic control unit at national or provincial airports, including the vacant land known as the obstacle free zone surrounding these, which must be vacant for air navigation purpose;
- (h) breakwaters, sea walls, channels, basins, quay walls, jetties, roads, railway or infrastructure used for the provision of water, lights, power, sewerage or 25 similar services of ports, or navigational aids comprising lighthouses, 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 infrastructure as may be prescribed; or
Public Service purpose	(j) a right registered against immovable property in connection with infrastructure mentioned in paragraphs (a) to (i).
	Means properties owned or used by organ of state as;
	(a). Hospitals and clinic
	(b) Schools,Pre-schools, early childhood development centers or further education and training colleges;
	(c) National and Provincial libraries and archives ;
	(d) Police stations ;
	(e) correctional facilities ; or
	(f) Court of law
	But excludes property contemplated in the definition of public service infrastructure;'
Rate	Means a municipal rate on property envisaged in section 229(1) (a) of the Constitution.
Ratable property	Means a property on which a municipality may in terms of section 2 of the Act levy a rate, excluding property fully excluded from the levying of rates in terms of section 17 of the Act.
Ratio	In relation to section 19, means the relationship between the cent amount in the Rand application to residential properties and different categories of non-residential properties ;provided that the two relevant Cent amounts in the Rand are inclusive of any relief measures that amount to rebates of a general application to all properties within a property category
Rebate	In relation to a rate payable on a property, means a discount

granted in terms of section 15 of the Act on the amount of the rate payable on the property.

Reduction

In relation to a rate payable on a property, means the lowering in terms of section 15 of the Act of the amount for which the property was valued and the rating of the property at that lower amount.

Register

(a) means to record in a register in terms of –

- (i) the Deeds Registries Act, 1937 (Act No. 47 of 1937);
or
- (ii) the Mining Titles Registration Act, 1967 (Act No. 16 of 1967); and

(b) includes any other formal act in terms of any other legislation to record :

- (i) a right to use land for or in connection with mining purposes; or
- (ii) A land tenure right.

(c) includes Ingonyama Trust Lease register

Residential property

Means a property included in a valuation roll in terms of section 48 (2) (b) [**as residential**] in respect of which the primary use or permitted use is for residential purposes without derogating from section 9.

Sectional Titles Act

Means the Sectional Titles Act, 1986 (Act No. 95 of 1986).

Sectional title scheme

Means a scheme defined in section 1 of the Sectional Titles Act.

Sectional title unit

Means a unit defined in section 1 of the Sectional Titles Act.

Specialized properties

Means property including national monuments, schools (both state and private), crèches, cemeteries/crematorium, prisons, law courts, libraries, military bases, police stations, sports

clubs including stadiums, public open spaces including parks, vacant land to be used for these purposes. Other non-market properties may be assigned to this category by the Municipal Value in consultation with the municipality.

State trust land

Means land owned by the State:

- (a) in trust for persons communally inhabiting the land in terms of a traditional system of land tenure;
- (b) over which land tenure rights were registered or granted; or
- (c) Which is earmarked for disposal in terms of the Restitution of Land Rights Act, 1994 (Act No. 22 of 1994).

Threshold Value

With reference to impermissible rates and Section (17) (1) (h) of the MPRA a municipality may not levy a rate on the first R15, 000 of the market value of a property with a category residential and a Council may increase this value to a higher market value in terms its annual budget and policy review, which is referred to as the threshold value.

Unauthorized immovable improvement / development

Means any use of a property which is inconsistent with or in contravention with the permitted use of the property or any immovable improvement / development or building erected without approval of the municipality in terms of the National Building Regulations and building standards Act No. 103 of 1977 as amended and other related legislation.

Vacant Land

Means any unimproved vacant land, which is not agricultural property. Any vacant land outside the area of a scheme for which no development rights have been granted in terms of any planning law must be considered as agricultural property and valued accordingly.

The value of vacant land must reflect:

- (a) the highest and best use permitted by the scheme,

including any consent granted in terms thereof, if the land is situated in the area of a scheme; or

(b) The highest and best use permitted in terms of a development approval, if the land does not form part of the area of a scheme, but development rights have been granted in respect of the land.

3 PART THREE: THE PURPOSE OF THE POLICY

3. The purpose of this policy is to:

- 3.1** Comply with the provisions of the Act, specifically with section 3 thereof;
- 3.2** Give effect to the principles outlined hereunder;
- 3.3** Ensure the equitable treatment of persons liable for rates;
- 3.4** Determine the basis for valuation and to prescribe procedures for the implementation of the Act;
- 3.5** Determine criteria for different property use categories to apply differential rates;
- 3.6** Determine or provide criteria for the determination of categories of owners of properties;
- 3.7** Determine criteria to be applied for granting relief in the form of exemptions, rebates and reductions to categories of properties and categories of owners;
- 3.8** Determine measures to promote local economic and social development; and
- 3.9** Identify which categories of properties the municipality has elected not to rate as provided for in section 7 of the Act.

4 PART FOUR: FUNDAMENTAL PRINCIPLES OF THIS POLICY

The principles of the Act are to regulate the power of a municipality to impose rates on property; to exclude certain properties from rating in the national interest; to make provision for municipalities to implement a transparent and fair valuation method of properties; to make provision for an objection and appeal process.

The principles of the policy are to ensure that:

- 4.1** The power of the municipality to impose rates on property within its area will not be exercised in a way that materially and unreasonably prejudices national economic policies, economic activities or the national mobility of goods, services, capital or labour as prescribed in terms of section 229 of the Constitution;
- 4.2** All ratepayers will be treated equitably;
- 4.3** Property rates will be assessed on the market value of all rateable properties within the jurisdiction of the municipality;
- 4.4** Property rates will not be used to subsidize trading and economic services;
- 4.5** The property rates policy will take into account relief measures to address the social and economic needs of the community;
- 4.6** This policy will be developed in consultation with the community and in compliance with a process of community participation in terms of Chapter 4 of the Municipal Systems Act.

5 PART FIVE: IMPLEMENTATION OF THIS POLICY AND EFFECTIVE DATE

- 5.1** This policy takes effect from 1 July 2021, being the effective date of the first valuation roll prepared by the municipality in terms of the Act, and must accompany the municipality's budget for the financial year.
- 5.2** The rates policy must be reviewed annually, and if necessary amended by the Council. Such amendments must be effected in conjunction with the municipality's annual budget in terms of sections 22 and 23 of the Municipal Finance Management Act.
- 5.3** The municipality must adopt by-laws to give effect to the implementation of its rates policy and such by-laws must be read in conjunction with this policy.
- 5.4** The adopted by-laws must also be reviewed annually, and if necessary be amended by the Council, in conjunction and in accordance with the rates policy.

6 PART SIX: EQUITABLE TREATMENT OF RATEPAYERS

- 6.1** The municipality is committed to treating all ratepayers on an equitable basis. The circumstances of each category of owner or category of property will be considered in a fair manner and within the limitations set out in the Act. The municipality must

adopt measures to ensure equitable and fair treatment of ratepayers.

- 6.2** Any differentiation in the levying of rates must not constitute unfair discrimination.

7 PART SEVEN: DISCRETIONARY DECISIONS ADOPTED BY THE MUNICIPALITY WITH RESPECT TO LEVYING PROPERTY RATES

Umhlabuyalingana municipal council resolved to levy property rates on all ratable properties in the council meeting that was held on the 31 May 2019.

To levy rates on all ratable property in its area of jurisdiction;

- 7.1** To determine the date of implementation as being 1 July 2019
- 7.2** To determine the date of general valuation as being 1 July 2018;
- 7.3** To levy different cents in the rand for different categories of property;
- 7.4** That the categories of properties for the purpose of differential rating are those specified in this policy document;
- 7.5** That in determining whether a property forms part of a particular category, the **actual use** of the property will property; be the determining factor and any change in actual use of a property will result in a change of category.
- 7.6** That for vacant land the permitted use shall be applied;
- 7.7** That property used for multiple purposes will be assigned a category of property either as dominant use in terms of section 9 (1) (b) or multiple purposes in terms of section 9 (1) (c), 8 (2) (i) and 9 (2) where applicable;
- 7.8** That property identified by the municipality as Communal property used for multiple purposes will be assigned a category of property Communal property and valued and rated as a multiple purpose category of property in terms of section 9 (1) (c), 8 (2) (i) and 9 (2);
- 7.9** To determine a market related value for public service infrastructure in accordance with generally recognized valuation practices, methods and standards; and
- 7.10** In terms of section 7 (2) (a) (i) to exclude municipal owned property from being rated,

except where leased to a third party.

7.10.1 a purpose corresponding with the dominant use of the property, in terms of section 9 (1) (b) or

7.10.2 multiple purposes in terms of sections 9 (1) (c), 8 (2) (i) and 9 (2);

7.11 In terms of section 46 (2) of the MPRA under “valuation criteria” the municipal value is entitled to identify and value any unauthorized immovable improvement and any unauthorized use as if it were lawful.

7.12 In terms of rates policy an immovable improvement over a property used for multiple purposes will only be recognized as a separate ratable property if the property and use is authorized and approved by the municipality in terms of the National Building Regulations and their land use planning.

7.13 In terms of rates policy any unauthorized immovable improvement and any unauthorized use over a property used for multiple uses may be valued by apportionment and rates levied against the underlying registered owner as recorded in the deeds registry office.

7.14 To determine a market related value for public service infrastructure in accordance with generally recognized valuation practices, methods and standards;

7.15 In terms of section 7 (2) (a) (i) to exclude municipal owned property from being rated, except where leased to a third party;

7.16 That special rating areas, as envisaged in terms of Section 22 of the Act may be established on application, compliance and by resolution of the council;

7.17 The determination of the category of property to be assigned to a property is the responsibility of the designated municipal value.

8 PART EIGHT: CATEGORIES OF PROPERTIES FOR DIFFERENTIAL RATING PURPOSES

8.1 Section 8 of the Act provides that a municipality may, subject to section 19 of the Act and in terms of criteria set out in its rates policy, levy different rates for different specified categories of ratable property.

8.2 For the purposes of section 8 of the Act read with section 9, the following categories of ratable property have been determined, being:

8.2.1 Residential property;

8.2.2 Business, commercial property;

8.2.3 Industrial property;

8.2.4 Agricultural property;

8.2.5 Public service infrastructure;

8.2.6 Public benefit organizations;

8.2.7 Dominant use;

8.2.8 Multiple purposes;

8.2.9 Formally protected areas;

8.2.10 Public service purposes;

8.2.11 Vacant land;

8.2.12 Illegal development.

The council may approve further categories of property if required.

8.3 It is recorded that in terms of section 19 of the Act, a municipality may not levy:

8.3.1 different rates on residential properties, except as provided for in sections 11(2), 21 and 89 of the Act;

8.3.2 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) of the Act, provided that different rates may be set in respect of different categories of non-residential properties;

8.3.3 rates which unreasonably discriminate between categories of non-residential properties; or

8.3.4 Additional rates except in special rating areas as provided for in section 22 of the Act.

8.4 Differential rating among the above determined categories of properties will be done by way of setting different cent amounts in the rand for each property category within the municipal budgetary processes.

8.5 The criteria for weighting the categories determined above, for the purpose of determining

rate bandages for each category, must take account of the following :

- 8.5.1** The perceived affordability factor for the different categories of property;
- 8.5.2** The strategic importance of a category of property with reference to the aims and objectives of the Council and the Government of the Republic as a whole (such as social, economic and developmental issues).

9 PART NINE: RELIEF MEASURES FOR RATEPAYER

- 9.1** The municipality has considered the need and desire to grant relief to specific categories of owners of properties and owners of specific categories of properties with a view to providing appropriate measures property; to alleviate the rates burden on them.
- 9.2** The municipality will not grant relief in respect of the payment of rates other than by way of an exemption, rebate or reduction provided for in this policy and granted in terms of section 15 of the Act to:
 - 9.2.1** A specified category of properties; or
 - 9.2.2** A specified category of owners of property as provided for hereunder.
- 9.3** The municipality will not grant relief to the owners of property on an ad hoc or individual basis.

10 PART TEN: RELIEF MEASURES FOR USE CATEGORIES AND OWNER CATEGORIES.

The municipality has identified the following use categories of properties and the requisite criteria for the purposes of granting exemptions, rebates or reductions to the owners of these categories of property in terms of section 15 of the Act:

10.1 Indigent Owners	
10.1.1 Criteria	In order to qualify as an indigent owner, the owner must:

	(a)	Be the sole owner of the property or own the property jointly with his/her spouse;
	(b)	Live permanently on the property;
	(c)	Not own any other property within Umhlabuyalingana municipality;
	(d)	Have an income threshold as defined in the Council's Customer Care policy;
	(e)	Make application annually on the prescribed form and within the prescribed period and submit a valid RSA bar coded ID
10.1.2 Rebate Granted	Percentage Rebate	A rebate may be applied at the Council's discretion, dependent on budgetary affordability factors.

10.2 Pensioner Owners		
10.2.1 – Criteria	In order to qualify as a pensioner owner, the owner must:	
	(a)	Be at least 60 years of age;
	(b)	Be the sole owner of the property or own the property jointly with his/her spouse;
	(c)	Not be granted more than one pensioner rebate at a time.
	(d)	Live permanently on the property.
	(e)	Make application annually on the prescribed form and within the prescribed period and submit a valid RSA bar coded ID.
10.2.2 – Rebate Granted	Percentage Rebate	A rebate may be applied at the Council's discretion, dependent on budgetary affordability factors.

10.3 Disabled Owners	
10.3.1 – Criteria	In order to qualify as a disabled person, the owner must:

	(a)	Be the sole owner of the property or own the property jointly with his/her spouse;
	(b)	Live permanently on the property;
	(c)	May not own any other property within the Umhlabuyalingana municipality;
	(d)	Have an income threshold as defined in the Council's Customer Care Policy;
	(e)	Make application annually on the prescribed form and within the prescribed period and submit a valid RSA bar coded ID.
10.3.2 – Rebate Granted	Percentage Rebate	A rebate may be applied at the Council's discretion, dependent on budgetary affordability factors.

10.4 Child-Headed Households		
10.4.1 Criteria	A household may be recognized as a child-headed household if it is deemed to fit the definition as contained at the beginning of this policy, and the owner must :	
	(a)	Live permanently on the property;
	(b)	May not own any other property within the Umhlabuyalingana municipality;
	(c)	Make application annually on the prescribed form and within the prescribed period and submit a valid RSA bar coded ID.
10.4.2 Rebate Granted	Percentage Rebate	A rebate may be applied at the Council's discretion, dependent on budgetary affordability factors.

10.5 Properties Owned by Public Benefit Organizations (PBO)		
10.5.1 Criteria	In order to qualify applicants shall be registered as a Public Benefit Activities as listed in Part 1 of the 9 th Schedule to the Income Tax Act.	
	(a)	Make application in writing annually in the prescribed format;
	(b)	Provide proof of ownership of the property and registration as a Public Benefit Organisation in terms of the Income Tax Act conducting one or more of the following specified public

		benefit activities listed in Part 1 of the 9 th Schedule: • welfare and humanitarian; or • health care; or • education and development (PBO is providing early childhood development services for pre school children)
10.5.2 Relief granted	Properties meeting the above criteria shall pay the PBO tariff as published annually.	

Note: It is noted that this position is motivated by the need for non-profit organizations who **are not** registered in terms of the 9th schedule, Income Tax Act, to register in order to be eligible for rates relief.

10.6 Owners of properties affected by a disaster or other serious adverse social or economic conditions		
10.6.1 Criteria	The owner of any category of property may make application for the consideration of a reduction in the municipal valuation of his/her property as contemplated in section 15 of the Act, where it is contended that the market value of the property is being affected by:	
	(a)	A disaster within the meaning of the Disaster Management Act (57 of 2002); or
	(b)	Any other serious adverse social or economic conditions as may be defined and determined by the Council.
10.6.2 Relief through reduction	The relief provided will be in the form of a reduction in the municipal valuation of the property in relation to a certificate issued for this purpose by the Municipal Valuer, effective from the date of the disaster. The resultant reduction in the quantum of the rates payable will be for the current financial year only and calculated on a pro-rata basis from the date of the disaster or adverse conditions to the end of the financial year. Should the applicant consider that the conditions resulting in the granting of relief remain unaltered at the conclusion of the financial year in question, a further application with the Municipal Manager may be lodged for the new financial year	

10.7 Owners of nature reserves / conservation areas		
10.7.1 – Criteria	Nature Reserves and Conservation areas which are proclaimed in terms of the National Environmental Management: Protected Areas Act, 2003, shall be exempted from rates, subject to an application and evidence being submitted by the owner and on approval by the municipality.	
	(a)	Existing and Newly Proclaimed Nature Reserves / Conservation areas shall receive exemption upon application and production of the relevant evidence of Proclamation by the owner.
	(b)	Nature Reserves/ conservation areas not Proclaimed as aforesaid, shall be rated as vacant land or agricultural property based on the definitions and may only be exempted from rates, once the owners have presented evidence of proclamation to a nature reserve or conservation area.
	(c)	The applicant must attach evidence and information in support of their application claiming Nature reserve or conservation status.
	(d)	An area within a municipality may also be classified as a nature reserve or conservation area for the purpose of rating if on application by the owner – i) The municipality considers that the areas is environmentally sensitive; ii) The land is zoned for conservation purposes or an environmental servitude has been registered in favour of the Municipality over the environmentally sensitive area, and; iii) The landowner, with the assistance of the Municipality, prepares and implements an approved management plan aimed at protecting and improving the local environment.
	(e)	In cases where a Nature reserve or Conservation area is developed and is used for more than one purpose the municipal valuer will apply the multiple purpose use approach in terms of section 9 (1) (c), 8 (2) (i) and apportion the different use values in terms section 9 (2).
10.7.2 – Relief Granted	Rates exemption over whole or portion of the property	Relief may be applied for and granted at the Council's discretion.

10.8 Developers who own property within the municipality		
10.8.1 – Criteria	In order to stimulate Development in certain key development nodes of the municipality, which are identified and defined by the municipality's approved Economic Spatial Plan, Developers shall be afforded a rebate, as approved by Council at its annual budget, subject to the following criteria -	
	(a)	The development must fall within a development node approved by Council;
	(b)	The developer must register the development for the rebate at least (four months) prior to the submission of building plans to the Planning and Development Department;
	(c)	The application must include development and sale plan which will indicate- - the phases of development and the time period in which the developer expects the development to be completed and transferred out to prospective purchasers in the development; - The number of units expected to be sold for manufacturing purposes; - A job creation plan.
	(d)	The developer must submit a report at the end of the Municipal financial year indicating the number of units within the development that have been transferred and any amendments to the sales plan.
	(e)	The rebate– a) shall be limited to three years from the date the development plan is approved, for investments with a certain specified property market value, set by Council; b) shall be apportioned in accordance with the completion and transfer of units within the development and shall be credited to the developers rates account at the end of a Financial year and; c) Excludes bulk services development.
	(f)	Major national projects undertaken by the State or organ of State may be granted a rebate as determined by the Council.
10.8.2 Rebate Granted	Percentage Rebate	A rebate may be applied at the Council's discretion, dependent on budgetary affordability factors.

10.9 Bed and Breakfast, guest houses, back packer lodges, student residences and other holiday accommodation establishment uses		
10.9.1 – Criteria	On Application, Bed and Breakfast, Guesthouse establishments, Holiday Accommodation, Student Accommodation and Back-packers lodges may receive a rebate as determined by Council at its annual budget. All other accommodation establishments operating as a business will not qualify for a rebate.	
	(a)	For the types listed an annual application must be made by 30 April preceding the start of the new financial year for which relief is sought.
	(c)	A Bed & Breakfast / Guesthouse / Back-packer lodge must be registered with Tourism KwaZulu – Natal and a local Community Tourism Organisation (CTO). In the absence of a CTO, then the establishment must be registered with a recognised Tourism Industry body;
	(d)	A Bed & Breakfast / Guesthouse / Back-packer lodge must offer accommodation facilities and dining facilities only to registered guests. Establishments that in addition, offer conferencing, spa's, hair salons etc. will not qualify;
	(e)	For the types listed the applicant must provide details of the establishment in respect of total size of developed property, total number of rooms, and facilities available.
10.9.2 – Rebate Granted	Percentage Rebate	On application, the property use, may receive a rebate as determined by Council at its annual budget.
10.9.3 – Covid19 Rebate	Percentage	The percentage will be determined by the council on qualifying category of property and or category of use of property. This rebate is will be a council discretion on a given.

10.10 Agricultural Property use
When considering criteria to be applied in respect of any relief for properties used for agricultural purposes a municipality must take into account: (a) The extent of services provided by the municipality in respect of such properties;

(b) The contribution of agriculture to the local economy; (c) The extent to which agriculture assists in meeting the service delivery and development obligations of the municipality; and (d) The contribution of agriculture to the social and economic welfare of farm workers.		
In order to qualify for the rebates detailed hereunder, the Farmers Association/s within the municipal jurisdiction shall present a submission motivating for the criteria as listed above within the prescribed time frame. All owners of agricultural properties within the municipality will receive relief based upon this evidence as determined through the municipal budgetary processes. Failure on behalf of the relevant Farmers Association to submit this evidence will leave the municipality without a basis for the consideration of relief for this property sector in terms of the prescribed criteria.		
10.10.1 Rebate granted	Percentage rebate	A rebate may be applied at the Council's discretion, dependent on budgetary affordability factors.

10.11 Residential Properties with a Market Value Below a Prescribed Municipal Valuation Threshold	
10.11.1 Criteria	It is recorded that in terms of section 17(1)(h) of the Act that the levying of rates on the first R15,000 of the market value of a residential property is impermissible. The owner of a property assigned to a category determined by this policy for residential purposes with a municipal valuation below a threshold to be determined annually through the budgetary process shall be exempted from the liability for the payment of rates. In other words a further discretionary reduction may be applied to the residential category of properties in addition to the first R15,000 of the market value which is a prescribed as an impermissible rate.
10.11.2 Relief granted (Impermissible rate + reduction)	The owner of a property meeting the above criteria is exempted from the payment of rates.

10.12 Properties owned by government entities for category Public Service Infrastructure	
10.12.1 Criteria	When uMhlabuyalingana Municipality determine the criteria in which the properties that are used for public service purposes consider provisions of the Municipal Property rates Act 29 of 2014 Transitional Arrangement : Public Service Infrastructure (1)The prohibition on the levying of rates on public service infrastructure referred in section 17(1)(Aa) Must be phased in over a period of five municipal financial years ,with effect from the date of commencement of this Act.
Section 93(A)(2) The rates levied on property referred to in subsection (1) must – (a) In the first year ,be no more than 80 percent of the rate for that year otherwise applicable to that property; (b) In the second year ,be no more than 60 per cent of the rate for that year otherwise applicable to that property; (c) In the third year , be no more than 40 per cent of the rate for that year otherwise applicable to property ; (d) In the fourth year be no more than 20 per cent of the rate that year otherwise applicable for that property and (e) In the fifty year , be no more than 10 per cent of the rate for that year otherwise applicable to that property	

10.13 Newly ratable properties	
10.13.1 Criteria	Any ratable property on which property rates were not levied before the end of the financial year preceding the date on which this Act took effect.
A council resolution approving such incentives must be adopted prior to establishment. The application for developer's/investors incentives shall be submitted as a separate application concurrently with the development planning application. The submission to Council when seeking	

approval shall stipulate the terms and conditions applicable in respect of this incentive scheme. Factors to be considered, but not limited to, are benefits that would accrue to the community and local economic development. The following are a few of the factors that will be considered when assessing the application for incentives.	
Assessing the application for incentives:	(i) The municipal accounts are in order or up to date (ii) Job creation – during the construction and operational phase (iii) Use of local suppliers and SMME during the construction and operational phase, where applicable (iv) Enterprise Development Programme (v) Corporate Social Investment plan to the local communities or communities identified by municipality The above factors shall form part of the detailed motivation or proposal/application to Council for the developer /investor incentives, which will be assessed on its own merits and approved by Council.
A parent property shall be rated from date of approval in terms of the Development Facilitation Act 67 of 1995, the Natal Ordinance No27 of 1949, the KwaZulu-Natal Planning and Development Act 6 of 2008 or SPLUMA. A subdivision registered off a parent property will be granted the rebate applicable from Year 1 from the date of registration of the subdivision in the Deed Office.	
The incentive granted in Year 1 shall be calculated from date of approval or effective to the end of that financial year.	
The rebate shall not be granted, or if granted be reversed, should the respective conditions of establishment not be met, or any section of the relevant Town Planning Scheme, Planning legislation, or National Building Regulations, be contravened.	
10.13.2 Transitional relief granted	The rates for all newly ratable properties will be phase in over a period of three (3) years: (i) 75% discount for the first year (ii) 50% discount for the second year (iii) 20% discount for the third year

11. PART ELEVEN: COMMUNITY PARTICIPATION

- 11.1** It is recorded that the municipality may only adopt its rates policy or any amendment thereof or any review of its policy after following a process of community participation in accordance with Chapter 4 of the Municipal Systems Act, as well as sections 4 and 5 of the Act. These provisions include:

- 11.1.1** Building capacity of the local community to enable it to participate in the affairs of the municipality; and
 - 11.1.2** To foster community participation for which the municipality will allocate funds in its budget for such processes.
- 11.2** Participation by the local community in municipal affairs will take place through the political structures of the municipality; the mechanisms, processes and procedures for participation in municipal governance and any other appropriate mechanisms processes and procedures established by the municipality.
- 11.3** The municipality will provide for:
 - 11.3.1** The receipt, processing and consideration of petitions, objections and comments lodged by the members of the local community;
 - 11.3.2** Public meetings and hearings by the Council and other political structures (e.g. ward committees) and political office bearers of the municipality;
 - 11.3.3** Consultative sessions with locally recognized community organizations and where appropriate traditional authorities.
- 11.4** Communication with the public relating to the rates policy will be in terms of section 4(2) of the Act by notice in:
 - 11.4.1** Local newspapers circulating in its area and determined by the council as a newspaper of record; and/or
 - 11.4.2** Official notice boards and other public places accessible to the public including the library and the municipal offices; and
 - 11.4.3** Inviting the local community to submit comments and representations within the time specified in the notice;
 - 11.4.4** Publication of the relevant documentation of the municipal website.

12. PART TWELVE : RECOVERY OF RATES

- 12.1** The following shall be liable for the payment of rates levied by the municipality:
 - 12.1.1** Owner of a property;
 - 12.1.2** Joint owners of a property, who shall be liable jointly and severally;

- 12.1.3** The owner of a sectional title unit; and
- 12.1.4** In relation to agricultural properties:
 - 12.1.4.1** Any one joint owner of the agricultural property for all the rates levied on the agricultural property; or
 - 12.1.4.2** Each individual joint owner for that portion of rates levied on the joint owner's undivided share in the agricultural property, whichever option the municipality may choose in relation to agricultural properties.
- 12.2** In terms of section 26 of the Act the municipality will recover rates:
 - 12.2.1** On monthly installment basis; or annually, as may be agreed between the parties.
- 12.3** The municipality will furnish each person liable for the payment of rates with a written account in terms of section 27 of the Act.
- 12.4** The municipality may recover rates in arrears from tenants and occupiers in accordance with the provisions of section 28 of the Act.
- 12.5** The municipality may recover rates due, either whole or in part, from the agent of the owner if this is more convenient for the municipality and in terms of section 29 of the Act.
- 12.6** Rates must be paid on or before a date determined by the municipality. The municipality may impose interest on overdue amounts.
- 12.7** The procedures regarding the determination of rates or any portion that are outstanding and the processes to be followed to recover such amounts are contained within the municipality's Credit Control Policy.

13. PART THIRTEEN: CONSOLIDATION AND APPORTIONMENT OF PAYMENTS

- 13.1** Separate accounts of persons liable for payment to the municipality for either rates or services may be consolidated in one account and any appropriation of payments will be done in accordance with the municipality's credit control policy.

14. PART FOURTEEN: DEFERMENT OF RATES

- 14.1** The municipality may on application defer the payment of rates in terms of section 26(3) of the Act but only in special circumstances which may be prescribed by the Council.

15. PART FIFTEEN: IMPERMISSIBLE RATES IN TERMS OF SECTION 17 OF THE ACT

- 15.1** It is recorded that the municipality may not, in terms of section 17 of the Act levy a rate on:
- 15.1.1** the first 30% of the market value of public service infrastructure;
 - 15.1.2** 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; or
 - 15.1.3** A 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.
 - 15.1.4** The Minister, acting with the concurrence of the Minister of Finance, may from time to time by notice in the *Gazette*, increase the monetary threshold referred to in subsection 15.1.2 to reflect inflation.
 - 15.1.5** The Minister may, by notice in the *Gazette*, lower the percentage referred to in subsection 15.1.1 but only after consultation with –
 - (i) Relevant Cabinet members responsible for the various aspects of public service infrastructure;
 - (ii) Organized local government; and
 - (iii) Relevant public service infrastructure entities.
 - 15.1.6** The exclusion from rates of a property referred to in subsection 15.1.3 lapses if the property –

- (i) Is disposed of by the religious community owning it; or
- (ii) Is no longer used primarily as a place of public worship by a religious community or, in the case of an official residence contemplated in that subsection, is no longer used as such an official residence.

15.1.6.1 If the exclusion from rates of a property used as such an official residence lapses, the religious community owning the property becomes liable to the municipality concerned for any rates that, had it not been for subsection 15.1.3 would have been payable on the property during the period of one year preceding the date on which the exclusion lapsed.

15.1.6.2 The amount for which the religious community becomes liable in terms of paragraph 15.1.6.1 must be regarded as rates in arrears, and the applicable interest on that amount is payable to the municipality.

16. PART SIXTEEN : CONSTITUTIONALLY IMPERMISSIBLE RATES

16.1 The Act provides that in terms of section 229(2)(a) of the Constitution a municipality may not exercise its power to levy rates on property in a way that would materially and unreasonably prejudice -

16.1.1 national economic policies;

16.1.2 economic activities across its boundaries; or

16.1.3 the national mobility of goods, services, capital or labour.

17. PART SEVENTEEN: NEWLY RATEABLE PROPERTIES

a) Any rateable property on which property rates were not levied before the end of the financial year preceding the date on which this Act took effect, excluding:

i) a property which was incorrectly omitted from valuation roll and for that reason was not rated before that date; and

ii) a property identified by the Minister by notice in the Gazette where the phasing-in of a rate is not justified.

b) The rates for all newly ratable properties will be phased in over a period of three years (3 years) according to the following percentage:

- i) 75% discount for the first year
- ii) 50% discount for the second year
- iii) 25% discount in the third year
- iv) 0% discount in the fourth year.

THE END