

LAINGSBURG MUNICIPALITY



PROPERTY RATES POLICY

EIENDOMSBELASTINGS-BELEID

2026/2027

Financial Policy No.: 2
Revision: Version 10
Last Review: May 2026
Effective From: 1 July 2026
<https://www.laingsburg.gov.za>

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1. INTRODUCTION AND LEGISLATIVE CONTEXT

Municipal property rates are a critical source of revenue to fund basic services and infrastructure for the community. In terms of section 229 of the Constitution (Act 108 of 1996), Laingsburg Municipality has the power to levy rates on property. The Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004) (hereafter “MPRA”), as amended, requires each municipality to adopt and implement a rates policy that governs the levying of rates on all rateable property. This Property Rates Policy is formulated in compliance with section 3 of the MPRA and must be read together with the provisions of the MPRA and the Municipality’s Property Rates By-law.

Objectives of the Policy: This policy outlines the *basis, criteria and principles* for levying property rates within Laingsburg’s jurisdiction in a fair, transparent, and equitable manner. It aims to ensure that:

- The municipality generates adequate income to sustain the delivery of services and maintenance of infrastructure for the benefit of all residents.
- Rating of property is undertaken in a way that spreads the rates burden fairly according to the value and use of each property, without bias or unfair discrimination.
- Relief measures are provided to certain categories of property owners (bona fide farmers, etc.) in accordance with the MPRA, to support socio-economic objectives and mitigate hardship where appropriate.
- The policy is implemented in line with good governance, meaning it is transparent, consistent, compliant with legislation, and subject to public consultation and annual review.

All rate revenue collected under this policy will be used in accordance with the annual budget to fund general services for the community as a whole (e.g. roads, street lighting, parks, community facilities, and municipal administration). Services that can be attributed to specific users (such as water, electricity, refuse removal, etc.) are funded through user charges (service tariffs) rather than property rates. Property rates thus primarily fund community and subsidized services that benefit the broader community, in line with sound financial management principles.

This policy takes effect from **1 July 2026** and remains in force until amended. It must be approved by Council in terms of section 3(1) of the MPRA and reviewed annually during the budget process. The adoption of the annual budget and any changes to property rates tariffs must accompany a review of this policy, following the process prescribed in the MPRA and the Municipal Finance Management Act, 2003 (Act 56 of 2003).

2. DEFINITIONS

In this policy, unless the context indicates otherwise, the following words are defined as follows (all other terms used in this policy have the meaning assigned in the MPRA):

“Accommodation Establishment” means a property, or portion of a property, used for the provision of overnight or short-term accommodation to paying guests, including but not limited to guesthouses, bed-and-breakfasts (B&Bs), lodges, self-catering units, boutique hotels, and AirBnB-type rentals.

“Act” or “MPRA” means the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004) and all regulations and amendments thereto.

“Agricultural purpose (bona fide farming)” means a farm or smallholding used **primarily for bona fide agricultural activities** with the intention of generating an income. This refers to land used for the cultivation of crops, livestock breeding or grazing, horticulture, or any other recognized agricultural operation that is the main land use. *Portions of the property used for other purposes* (such as for ecotourism, hospitality (guest accommodation), game breeding/hunting for commercial purposes, or any industrial/commercial activities not related to primary agriculture) are **excluded** from this category. In other words, an agricultural property will only be rated as such if it is actively farmed and used predominantly for agriculture. If the property (or any portion of it) is used for non-agricultural purposes, that portion may be classified under the appropriate other category (e.g. business/commercial or residential) according to its use (multi-purpose).

“Bona fide farmer” (for purposes of qualifying for an agricultural property rates rebate, if applicable) is an owner or occupant of a property who is legitimately and substantially engaged in agriculture on that property as a business or source of livelihood. The onus is on the owner to prove the bona fide agricultural use of the property to the Municipality’s satisfaction. **Qualifying criteria** include:

- The property is zoned for agricultural or farming use and is being *actively used* for crop production, animal husbandry, or other agricultural production intended for sale/market (not merely for personal consumption or recreation).
- The owner is registered as a farmer with SARS for tax purposes or can demonstrate farm income (e.g. through financial statements or affidavits confirming that farming is a principal source of income).

- The owner or farm operator is registered with the relevant Department of Agriculture or is a member of an organized farming association, etc.
- Proof of agricultural inputs or outputs (such as records of buying seeds/fertilizer or selling produce/ livestock) can be provided on request.

An owner claiming the agricultural tariff must apply to the Municipality and provide any required documentation (such as an affidavit detailing the farming activities, income derived, etc.). The Municipality reserves the right to inspect the property or request additional evidence to verify agricultural use. Approval for the agricultural rate is at the discretion of the Chief Financial Officer (CFO) or delegated official and must be renewed periodically (as determined by the Municipality, e.g. every year or valuation cycle). Misrepresentation or failure to notify the Municipality of changed use may result in the property being reclassified and rates recalculated retroactively (see Section 15 on enforcement).

“Business / Commercial property” means a property used for *commercial, trade or professional purposes*. It includes, but is not limited to shops, offices, restaurants, hotels, guest houses or bed-and-breakfast (B&B) establishments, warehouses, private hospitals and clinics, financial institutions, and privately owned utilities or infrastructure used for profit (for example, a privately owned power generation facility supplying electricity commercially, windfarms, once in production, etc.) Any property used primarily for the conduct of business, commerce or trade that does not fall into another specific category will be deemed business/commercial property.

(Note: Small businesses operating from a residentially zoned property may still be treated as residential for rating if they fall within permitted use and the primary use remains residential.)

“Indigent household/owner” means the owner of a property who is approved by the Municipality as indigent in terms of the Municipality’s Indigent Policy. Generally, an indigent household is one with minimal income that qualifies for poverty relief measures on services and rates. Indigent status is determined through an application and verification process as per that policy. Indigent owners may receive rebates or exemptions on rates for their primary residential property, to be described (if applicable) in this policy.

“Industrial property” means a property used as a factory, plant, or industrial operation, including manufacturing, processing, workshops or storage facilities *directly related to industrial production*.

“Multiple use property” (or **“multi-purpose property”**) means a property that is used for *more than one distinct purpose*. For example, a single property might have a portion used for residential purposes and another portion used for business (such as a combined home and shop), or a farm

property might have a portion used for farming and another portion used as a guesthouse. Such properties are dealt with in terms of section 9 of the MPRA and section 7.2 and 9 of this policy – typically, each distinct use portion is categorized and rated according to its own use, or if that is impractical, the *dominant use* of the property determines the category for the whole property.

“Municipality” means the **Laingsburg Local Municipality**, and includes its governing Council, or any duly authorized official of the municipality.

“Owner” means the person or legal entity in whose name the property is registered and includes the definitions of owner in terms of section 1 of the MPRA (such as a trustee in the case of a trust, the estate’s executor, or a lessee in the case of a lease over tribal land, etc.). An owner is liable for payment of rates on the property, except as otherwise provided by the MPRA.

“Property” means *immovable property* as defined in the MPRA, including land and any improvements or buildings thereon, and where applicable a *right in property* (such as a real right) that is liable for rates under the Act.

“Public Benefit Organization (PBO) property” means property owned by an organization registered as a Public Benefit Organisation (under the Income Tax Act) and used **primarily for public benefit activities** listed in Part I of the Ninth Schedule to the Income Tax Act (such as welfare and humanitarian, health care, education, etc.). Examples include properties used exclusively as charities, **non-profit old-age homes or orphanages**, welfare centres, shelters, or nonprofit museums, etc. If such a property is used for the public benefit activity and not for profit, it may qualify for a special rating treatment or exemption under this policy (consistent with section 15(2)(b) of the MPRA). The organization may be required to apply and prove its PBO status and the use of the property. (Any portion of a PBO property used for commercial purposes, e.g. a cafeteria open to the public generating profit, may be excluded from the preferential treatment.)

“Public Service Infrastructure (PSI) property” means publicly controlled infrastructure as defined in the MPRA and typically includes infrastructure like national/provincial roads, railway lines, water or sewer pipes, electricity transmission lines, public airports, breakwaters, etc. These are often linear properties or installations that provide essential services or transportation functions to the public. In terms of the MPRA, certain PSI properties are exempt or partially exempt from rates (see Section 10 on Exemptions). For example, a public road or railway is rate-exempt, and other PSI like pipelines may receive a prescribed reduction in value for rating purposes (currently a 30% exclusion of value is applied to eligible PSI as per the MPRA).

“Rateable property” means any property on which the municipality may, in terms of section 2 of the MPRA, levy a rate, *excluding* property fully exempted by section 17 of the MPRA or any other applicable law.

“Residential property” means a property included in the valuation roll as residential in terms of section 48(2)(b) of the MPRA, whose *primary use* is for domestic residential purposes, *excluding* any portion of the property used for commercial purposes (such as a home business) which may be subject to a different category. A residential property typically includes a dwelling unit (house, flat, etc.) used for human habitation. For purposes of this policy, *residential property* also includes a unit in a sectional title scheme used predominantly for residential purposes.

“Vacant property” means any land parcel that does not contain a habitable building or structure suitable for occupancy or economic activity. In other words, the land is undeveloped or only minimally developed such that it cannot be used for its intended purpose.

For the purposes of this policy, the following shall not be regarded as vacant property:

Legally Tied Properties:

Properties that are notarial tied to an adjacent property or are otherwise legally restricted such that they cannot be sold or transferred separately, shall be regarded as part of a consolidated property. These properties shall be rated in accordance with the primary use of the combined erf or holding and shall not attract separate vacant land tariffs or availability charges.

Properties with Approved Building Plans Spanning Multiple Erven:

Where a building has been constructed in terms of an approved building plan that straddles the boundaries of two or more adjacent cadastral units—resulting in the erven being functionally used as a single property—those erven shall be deemed to form one property for rating and availability charge purposes. In the absence of an approved building plan, the onus shall rest on the owner to prove that a plan was submitted and approved by the Municipality or its predecessor authority.

Properties Subject to Legal or Physical Constraints:

Any property that cannot independently be developed or disposed of due to legal, contractual, cadastral- or physical constraints shall be excluded from the vacant property category.

Only land parcels without bona fide improvements and not falling within the exclusions above will be classified as "vacant property" and be subject to the applicable vacant land tariff and availability charges, where applicable.

The intent of this exclusion is to ensure fairness: owners are not penalized with vacant land rates or charges for parcels of land that serve as part of a developed property or cannot be independently utilized. All other properties without bona fide improvements will fall under the "vacant property" category and be subject to the applicable vacant land rate tariff (which is generally higher to encourage development). Owners of vacant land are also liable for *availability charges* for municipal services where applicable – except in the cases of tied properties as described above, where such charges will only be levied as if the combined property were a single erf.

Take note that:

- 1) *Words and expressions to which a meaning has been assigned in the Act shall bear the same meaning in this policy.*
- 2) *In this policy, a word or expression derived from a word or expression defined in subsection (1) shall have a corresponding meaning unless the context indicates that another meaning is intended.*

Note: Any term not defined above but defined in the MPRA or applicable legislation will have that meaning in this policy. In case of ambiguity, the definitions in the MPRA take precedence.

3. GUIDING PRINCIPLES OF RATING

Section 3(3) of the MPRA prescribes that a rates policy **may differentiate** between categories of properties and owners only on a basis consistent with fairness and equity. Laingsburg Municipality is committed to the following core principles in levying property rates:

- **Equity and Fairness:** Property rates will be levied in a way that is fair to all property owners. Owners of properties with similar **market values and usage** will be treated similarly across the Municipality. There shall be no unfair discrimination in applying the rates policy. Differentiation between categories of property or owners will be applied *only* as permitted by law and only to the extent that it is justified by legitimate policy objectives (such as relief for the indigent or promotion of certain land uses). The Municipality will *not* grant relief to individual ratepayers on an ad-hoc or arbitrary basis – any exemptions, rebates or reductions will be based on approved categories of properties or owners as set out in this policy.
- **Transparency:** The process of adopting and implementing the rates policy and setting rates will be transparent. The policy explains the *criteria* and *methods* for rating, and these will be communicated to the community. The adopted rates (Rand-in-the-rand for each category) will be published as part of the official tariff schedule each year, and the impact of rates will be disclosed during the public budget consultation process. The valuation roll is open for public inspection, and property owners have the right to *object* to valuations or categorizations (see Section 17).
- **Sustainability:** Property rates will be used to promote a **sustainable local government** by providing a stable, buoyant revenue source that can fund services and development over the long term. The rating structure aims to ensure that:
 - Sufficient income is generated to maintain and improve municipal services and infrastructure, thereby meeting the current and future needs of the community.
 - The level of rates is balanced with the economic capacity of property owners so as to ensure the continued economic and social viability of the municipality. Excessive rates that could severely discourage investment or burden households will be avoided; instead, rates increase will generally be predictable and in line with economic indicators (see Section 13 on annual rate increases).

- The rates policy supports *local socio-economic development*. For example, the policy can provide for incentives or rebates to encourage certain beneficial land uses (such as productive agriculture and businesses that create employment), and provides relief to vulnerable groups, which in turn supports community well-being and economic growth.
- **Efficiency and Simplicity:** The levying of rates and the associated administration will be done efficiently to minimize costs. The policy strives for simplicity and clarity in the categorization of property and calculation of rates so that it is easy for property owners to understand their liability. Where possible, clear definitions (Section 2) are provided to reduce ambiguity. The Municipality's billing processes and valuation methods will align with best practices and the MPRA to ensure accurate and timely rates bills.
- **Community Participation and Accountability:** The policy and the property rates for each year are subject to community input. As part of the annual budget cycle, the Municipality will invite local community and stakeholder comments on the draft Property Rates Policy and the draft rates by-laws and tariffs (following Chapter 4 of the Municipal Systems Act and section 4 of the MPRA). The Council remains accountable to ratepayers and must consider public feedback. Once adopted, this policy is a public document, and the Municipality will enforce it consistently. Any deviation or special agreement outside this policy is not permitted unless approved by Council in accordance with the law.
- **Consistency and Compliance:** The application of the rates policy will be consistent across the municipality to ensure all ratepayers in a similar position are treated equally. The Municipality will comply with all relevant laws and regulations, including the MPRA, (such as the **ratio limits** for different categories of property 17), the MFMA, and other applicable legislation. By-laws will be enacted to give effect to this policy and the enforcement thereof (see Section 19). Council resolutions on the annual budget will specify the cent-in-Rand tariffs for each category, any reductions or rebates, and will be published as required by law.

These principles provide the framework within which all detailed provisions of this Property Rates Policy are designed and must be interpreted.

4. SCOPE AND APPLICATION OF THE POLICY

This Property Rates Policy applies to *all rateable properties* within the geographic boundaries of Laingsburg Municipality as determined by the valuation roll. It guides the annual **determination** and **implementation** of property rates. Key aspects of the policy's scope include:

- **Annual Budget and Tariff Setting:** The Council will, as part of adopting the annual budget, review this policy and determine the property rates for each category of property for the forthcoming financial year. While this policy outlines the *structure* for how rates are levied (including categories, differentials, exemptions, rebates, etc.), the specific cent-in-Rand tariffs are approved by Council annually and published in the schedule of tariffs and the Provincial Gazette. This policy itself does not set specific tariff amounts; it provides the framework within which those tariffs are applied.
- **Period of Validity:** The property rates (tariffs) determined through this policy and the annual budget resolution remain in effect for the financial year (1 July to 30 June). Rates are levied annually on the market value of properties as per the current General Valuation Roll (or Supplementary Roll) of the municipality. The General Valuation Roll is typically updated every few years (in line with the MPRA requirement – currently a 5-year cycle for general revaluation, unless extended or shortened by Council resolution in terms of the MPRA). The most recent general valuation will be used as the basis for levying rates, and Supplementary Valuations will be conducted at least annually to capture changes (such as new properties, alterations, or subdivisions) as allowed in terms of the Act.
- **Property Categories and Relief Measures:** The policy establishes categories of properties (see Section 7) and categories of property owners (see Section 8) that are recognized for the purpose of differential rating or granting of relief (exemptions, rebates, or reductions). Only those categories listed in this policy will be considered for such differential treatment. No *ad hoc* exceptions will be made for individuals outside these approved categories. Any rebate or exemption from rates is applicable either to a whole category of properties or a category of owners and must be applied uniformly within that category in the Municipality (as per section 15(1) of the MPRA).
- **Geographic Area:** This policy covers all properties within the municipal boundaries of Laingsburg, as defined by relevant demarcation. If any area is incorporated into or removed from Laingsburg through demarcation changes, this policy will be updated accordingly. Currently, all properties in Laingsburg are subject to rating – there are no areas with special transitional phasing in or out of the rates system (since all areas were already included in

previous valuation rolls). Should any new properties become rateable (for example, previously un-rated properties newly included on the roll), the Municipality will implement any *phasing-in of rates* as required by the MPRA (section 21) or by Council policy (see Section 10 on phasing-in if applicable).

5. CATEGORIES OF RATEABLE PROPERTY

In terms of section 8 of the MPRA, Laingsburg Municipality has determined the following **categories of rateable properties** in its jurisdiction, based on the use of the property, permitted use, or a combination thereof. Each property will be classified in one of these categories (or apportioned between them in the case of multiple uses – see Section 9). Different rate tariffs may be levied for different categories, as outlined in Section 7 (Differential Rating).

The property categories are:

- **Residential Property:** Properties used predominantly (primarily) for residential purposes – i.e. as dwellings (homes). This category includes houses, flats, duplexes, and residential erven, whether free-standing or part of a sectional title, that are used for human habitation. It also includes residential properties with permission to operate an enterprise from home provided the primary use remains residential. (If the business activity on a residential property becomes the dominant use or is separately registered, the relevant portion may be re-categorized as business.) This category does not include accommodations like hotels or guesthouses which operate as businesses (those fall under Business/Commercial).
- **Industrial Property:** Properties used for industrial purposes, such as factories, manufacturing plants, workshops, scrap yards, or any property where an industrial process takes place. These are typically zoned industrial. (Industrial properties may include utilities or privately owned infrastructure related to industrial operations).
- **Business and Commercial Property:** Properties used for commercial, trade or mercantile purposes. This broad category covers properties used for businesses, whether retail, wholesale, offices, services, hospitality or any other commercial enterprise. For clarity, it includes (but is not limited to):
 - **Business Offices and Retail:** e.g. shops, shopping centres, markets, office buildings, banks.

- **Hospitality and Tourism:** e.g. hotels, motels, guest houses, bed-and-breakfast establishments (See definition of accommodation establishments), lodges, conference centres, restaurants and bars.
 - **Service Industries:** e.g. private clinics and hospitals, private schools and universities (if run for profit), gyms, casinos, and entertainment facilities.
 - **Utilities and Infrastructure (commercial):** e.g. privately-owned power generation facilities or telecommunications infrastructure that is operated for profit (if not classified under a specific infrastructure category).
 - **Mixed-use commercial:** e.g. a building with a mix of offices and shops would generally still be “commercial” overall, unless portions are distinct and can be split.
 - Properties that are zoned or used for business but include a residential component (such as a flat above a shop) may be treated as **multi-purpose** (see Section 9) if the usage can be separately identified; otherwise, the dominant use will determine the category.
- **Agricultural Property (Bona Fide Farming):** Farms and smallholdings **actively used for agricultural purposes**. This category applies only to properties used for legitimate commercial farming activities (cropping, livestock, dairy, poultry, orchards, viticulture, etc., including subsistence farming if it forms the primary use). Properties in this category benefit from a lower rate (as mandated by national policy for agricultural land) to support the agricultural sector. To prevent abuse, owners must meet the criteria for bona fide farming as defined in Section 2. The Municipality may require an application or annual declaration to confirm continued agricultural use. If an agricultural property includes portions used for other purposes (e.g. a farm stall, tourist accommodation, game hunting, or a secondary dwelling not related to farm labor), those portions may be excluded from this category and rated under business or residential categories as appropriate.
 - **Agricultural Property (Not used for agriculture):** (Note: While not separately listed in the original policy categories, the Municipality recognizes that some properties zoned as agriculture are not farmed.) Such properties – often referred to as “**lifestyle farms**” or smallholdings used for residential or leisure purposes – will **not** be categorized as “**Agricultural**” for rating simply by virtue of zoning. If a property zoned agricultural is primarily used for residential living or other non-agricultural use (and does not qualify as bona fide farming), the Municipality will classify it

in the category that best matches its actual use. For example, a smallholding with a house and no active farming may be rated as Residential, whereas a smallholding used as a commercial holiday resort or game lodge would be rated as Business/Commercial. This ensures that the advantageous agricultural tariff is reserved for true farming enterprises, and that all properties contribute fairly relative to their actual use of municipal services.

- **Public Service Infrastructure (PSI):** Properties that meet the definition of Public Service Infrastructure in the MPRA and are used for infrastructure providing public services. This category typically includes roads, railway lines, water pipelines, sewage lines, electricity lines, public transport facilities, etc., that are owned or controlled by government or municipal entities and form part of broader networks providing services to the public. Many of these properties are partially or fully exempt from rates (e.g. public roads and rail corridors are not rated). When rated, the MPRA prescribes a limited rate (with a value reduction and ratio cap). The Municipality will apply the applicable exclusion (30% of value not rated) and the rate ratio (not exceeding 25% of the residential rate) for PSI in accordance with the law.
- **State-Owned Properties (Public Service Purposes):** Properties owned by the state (national or provincial government or agencies) and **used for public service purposes**. This includes, for example: government offices, police stations, clinics and hospitals, public schools and colleges, libraries, courts, military bases, prisons, and similar properties used to provide public services. These are distinct from PSI in that they are not linear infrastructure but rather facilities. Such properties are rateable unless exempted by the MPRA or by this policy. The Municipality may, in line with national policy, apply a differentiated rate to government properties (for instance, some municipalities align government property rates with business rates, while others may have a special category). For Laingsburg, state-owned public service properties are classified in this separate category to allow potential differentiation. (Currently, no special rebate beyond mandatory exclusions is automatically given to this category, but the rate may be set equal to the residential or business tariff as deemed appropriate by Council.)
- **Public Benefit Organization (PBO) Property / Welfare Organisations:** Properties owned and used by registered welfare, charitable or public benefit organizations for public benefit activities. Examples include non-profit old age homes, children's homes, shelters, organizations providing care to the vulnerable, museums, art galleries, etc., provided these are not-for-profit and used substantially for the public benefit purpose. Properties that meet the criteria may fall in this category. In terms of national regulation, the rate on such properties may not exceed 25% of the residential rate (i.e. ratio 1:0.25). Laingsburg may further provide a rebate or even a full exemption to certain PBO properties (see Section 10 on Exemptions and Section 11 on

Rebates). To qualify, the organization may need to apply and provide proof of registration and use of the property for approved activities.

If any portion of the property is used for profit-generating activities (unrelated to the core welfare function), that portion can be excluded from this category and rated normally.

- **Mining Property:** Properties used for mining operations or quarries as defined in applicable mining legislation. This includes any land used for the extraction of minerals and resources, including related processing on site. Mining properties are often defined in valuation rolls as a separate category. Laingsburg might have limited or no mining activity; however, the category is provided should any such property exist. The rating of mining properties can be at a higher ratio relative to residential (subject to any national limits) due to their industrial nature and potential impact on infrastructure. Any mining rights that are separately rateable (if identified in the valuation roll) will also fall under this category.
- **Vacant Land:** Properties that are **undeveloped or not used** (and do not qualify for exclusion from “vacant” as per the definition in Section 2). This includes vacant stands in residential areas, unoccupied plots in business or industrial areas that have no significant improvements, and unused farmland that is not being farmed or occupied. Vacant properties are rated to encourage development and discourage land speculation or service hoarding. Typically, the rate applied to vacant land may be **higher** than that for improved properties in the same zoning, as a disincentive for leaving land undeveloped. All vacant land is generally grouped into this single category regardless of zoning (unless the Council differentiates by sub-category, e.g. “vacant residential” vs “vacant business” – at present, Laingsburg uses a single “vacant property” category for all). Important: If multiple adjacent vacant erven are legally consolidated or notarial tied and effectively form one usable property, they will be treated not as separate vacant stands but as one property (typically the category will then be determined using that consolidated property, per the policy on notarial ties described in Section 2).
- **Multi-Purpose Properties:** (Also known as “**Multiple-use properties**”). While not a category on its own for tariff purposes, this **refers to properties that have two or more distinct use categories on the same registered property**. For example, a single erf with both a shop (business) and a residence on it, or a farm portion used for both agriculture and running a farm stay guesthouse. In such cases, the property will be dealt with in accordance with section 9 of the MPRA:

- If the various uses can be **separately apportioned** on the valuation roll (different market values assigned to different use components), the municipality will assign the applicable category and rate to each portion of the property **based on its use**. The rating will then be calculated proportionally.
- If it is not practical to separate the uses (for instance, a single valuation is given for the whole property), the property will be placed in the category of its dominant use (the use that occupies the largest part of the property or for which the highest value of the property is used). The owner may also request separate apportionment if they believe distinct uses exist; the municipal valuer will have discretion to apportion value to different uses where reasonable.

Multi-purpose properties ensure that each part of a property is rated fairly according to actual use. The property categories list above should cover all component uses. This policy (Section 9) provides more detail on how differential rating is applied in these scenarios.

Each property is assigned to one of the above categories in the **valuation roll**, which forms the basis for billing. It is incumbent on property owners to ensure that their property is correctly categorized according to actual use. Owners may make submissions during the public inspection of the roll or object if they believe their property category (or value) is incorrect.

6. CATEGORIES OF PROPERTY OWNERS FOR PURPOSES OF RELIEF

In terms of section 15(2) of the MPRA, a municipality may also define **categories of property owners** for the purpose of granting exemptions, rebates, or reductions. Laingsburg Municipality recognizes the following categories of owners for potential rates relief (note that *any relief is granted as provided in Sections 10-12 below, and owners must meet the criteria to qualify*).

1. **Indigent Owners:** Owners of residential property who have been approved as *indigent* in terms of the Municipality's Indigent Policy. These are typically poor households with limited income who qualify for free basic services. (Only one property per indigent household is usually eligible – typically the owner's primary residence.)

2. **Pensioners and Disabled Persons (Senior Citizens):** *Residential property owners who are pensioners (retired persons above a certain age) or people with disabilities, who live on the property as their primary residence and who have limited household income.* This category is meant to provide relief to senior citizens and disabled persons on fixed or lower income (e.g. state pensions) so they can afford to remain in their homes. The precise qualifying criteria – such as age threshold (e.g. 60 years or older), income thresholds, and property value thresholds – and the amount of rebate, are determined by Council and may be revised from time to time (typically in the budget or in an annexure to this policy). Owners in this category generally must apply for the rebate and produce proof of age, identity, and income (and disability status where applicable, e.g. a letter from SASSA or a medical certificate). The relief is usually given only on one property that the applicant owns and occupies (primary residence), and the applicant should not own substantial additional properties.
3. **Owners Dependent on Social Grants or Facing Severe Economic Hardship:** This category may overlap with indigent or pensioner categories, but it extends to any owner experiencing verified *serious adverse socio-economic conditions*. For example, if an area has been declared economically distressed (perhaps due to closure of a major employer) or if an owner can demonstrate extreme financial hardship (e.g. medical bankruptcy), the Council may, at its discretion, grant temporary relief. Typically, broad relief for a community in hardship would be handled as a targeted rebate or reduction by resolution (for instance, during a disaster or pandemic affecting incomes). Individual cases would likely be addressed through indigent or other social programs. However, this category is recognized for flexibility in extraordinary circumstances (aligned with section 15(2)(e) of MPRA for owners in disastrous or adverse conditions).
4. **Owners of Agricultural Property (Bona fide farmers):** Owners of property that is categorized as agricultural (farms/smallholdings) who *actively farm* and derive an income from farming. This category is to facilitate specific agricultural rebates (see Section 11.3) to support the farming community and food security, acknowledging the lower consumption of certain municipal services by farms and national policy encouraging rural development. To qualify, owners must meet the bona fide farmer criteria (Section 2) and may be required to apply or submit proof as described. (If a farm property owner does not use the property for farming, they would not be in this category and would not receive the farm rebate.)

5. **Owners of Commercial or Industrial properties that provide significant local economic benefits:** This refers to owners who run businesses or industries which meaningfully contribute to the economic growth and development of the region – for instance, by creating substantial employment, infrastructure investment, or strategic economic value as determined by the Council. The Council may identify certain key industries or new investments for temporary rebates or incentives (e.g. to attract businesses or encourage expansion that will yield long-term benefits to the community). Such rebates would typically be granted under a specific Council resolution or policy (like an Economic Investment Incentive Policy) and be time-bound. Owners must meet whatever criteria Council sets (e.g. number of jobs created location in a priority development zone, etc.) to be considered under this category. This is a discretionary category to promote local economic development in line with municipal strategic objectives.

6. **Owners Affected by Disaster or Other Force Majeure Events:** Owners of property that has been affected by a declared disaster (natural or man-made) or any other serious event (e.g. a devastating fire) that significantly damages the property or its value. When a disaster (as defined in the Disaster Management Act, 2002) is officially declared and an area is so affected, or when an individual property suffers destruction, the owner may qualify for a temporary relief (usually in the form of a reduction in rates for a period or a reduction in the property's value for rating). This is addressed in Section 12 on Reductions. This category is mentioned here as a formal recognition that such owners can receive relief as allowed by the Act (section 15(2)(aA) and (f) of MPRA, and section 26 of Disaster Management Act for declared disasters).

Note: The above categories of owners must generally **apply** for the relief offered (except where Council grants an automatic relief to a whole class, such as general disaster relief or general agricultural rebates which may be auto applied if the category is verified). Proof of qualification is required (e.g. indigent registration, age/income proof for pensioners, farming affidavits, etc.), and the onus is on the property owner to submit such applications before deadlines set by the Municipality. The Municipality may periodically require re-submission or verification to continue receiving the rebate. Owners who fail to apply in time or to provide required evidence will not receive the relief until they do so (no retrospective rebates will be given for late applications, except at the Council's discretion or if due to an error by the Municipality).

Furthermore, in line with the MPRA, the Municipality **does not provide rebates or exemptions to organs of state** (like other municipalities, provincial or national government) beyond those required by law, and **does not provide special treatment to individual office bearers** (like Councillors) outside of these categories. All relief is bounded by what the MPRA permits and is subject to Council's annual budgetary considerations.

7. DIFFERENTIAL RATING (LEVIES) FOR PROPERTY CATEGORIES

DIFFERENTIAL RATES APPLICABLE (BASED ON USE)	RATIO IN RELATION TO THE BASE TARIFF
Residential Properties	1:1
Vacant Land: Residential	1:1.2
Vacant Land: Business & Commercial	1:1.2
Agricultural Properties	1:0.25
Businesses and Commercial Properties	1:1.2
Business: Guest Houses / Accommodation Establishment	1:1.2
Industrial Properties	1:1.2
Mining Properties	1:1.2
Public Service Infrastructure	1:0
Public Service Properties/Organs of state	1:1.8
Public Benefit Organisations (Incl. Old Age Homes)	1:0.25
Public Benefit Organisations - Place of Worship	1:0
Municipal Properties	1:0
Protected Areas / Nature Reserves	1:0

Laingsburg Municipality levies **differential property rates**, meaning different categories of property are charged at different rate tariffs (a Rand amount in the Rand on the property's value). This is done in accordance with section 8(1) and 19 of the MPRA, and in compliance with national regulations that set maximum ratios between the highest and lowest rates for certain categories. The purpose of differential rating is to ensure equity and to reflect the differing municipal service usage patterns or economic abilities associated with different property uses.

The **base category**, which is typically **Residential property (set at "1:1")**. Other categories' rates are then set either equal to this base rate or as a proportion (ratio) of it.

In summary, differential rating is a tool for fairness and achieving the Municipality's goals. Laingsburg Municipality will apply it judiciously, review it annually, and always within the bounds of the MPRA and associated regulations.

8. EXEMPTIONS FROM RATES (IMPERMISSIBLE AND DISCRETIONARY)

A municipality may not levy the following rates in terms of sections 16 (1) and 17 (1) of the Act:

- i) Rates that would prejudice national economic policies.
- ii) Rates that would prejudice economic activities across boundaries; and
- iii) Rates that would prejudice national mobility of goods, services, capital, or labour.

Impermissible rates will be applied as follow:

- On the first 30% of market value of public service infrastructure (Section 17 (1)(a))
(The municipality will however exempt PSI's from being levied property rates)
- On a special nature reserve, national park or nature reserve within the meaning of the National Environmental Management: Protected Areas Act, 2003 (Act no 57 of 2003), or of a national botanical garden within the meaning of the National Environment Management: Biodiversity Act of 2004(Act no 10 of 2004) which are not developed or used for commercial, business or residential agricultural purposes (Section 17 (1)(e)).
- On the first R15 000 of the market value of a property assigned in the valuation roll or supplementary valuation roll to a category determined as residential property or multiple used property provided that one or more component is used for residential purposes (Section 17 (1)(h)).
- On 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 is, officiates at services at that place of worship. (The exclusion lapses if not used for the purposes as indicated above) (Section 17(1)(i)).

- The Municipality will grant exemption for owners of improved residential properties with a market value lower than an amount determined by the municipality (Section 15 (2)(e)). This is an important part of the Municipality's indigent relief measures aimed primarily at alleviating poverty amongst those persons owning low value properties. The determined amount will be published in the annual council-approved tariff listing. The municipality does not currently provide for any relief in this regard.
- Municipal properties that are not leased or rented out by the municipality will be exempt from being levied rates (Section 7 (2)(a)(i)). This includes leased municipal properties with a nominal value and/or portions of commonage property where it is not practical to levy property rates.

9. REDUCTIONS IN RATES

A reduction in the municipal valuation as contemplated in section 15(1) (b) of Act will be granted where the value of a property is affected by-

- a) a disaster within the meaning of Disaster Management Act, 2002 (Act No.57 of 2002); or
- b) any other serious adverse social or economic conditions.

The reduction will be in relation to the certificate issued for this purpose by the municipal valuer. All categories of owners can apply for a reduction in the rates payable as described above and the reduction will only be granted as per Council resolution.

10. REBATES (DISCOUNTS) ON RATES PAYABLE

A rebate is a partial remission of the rates amount payable by certain categories of property or owners. Instead of reducing the property's value, a rebate is a straightforward percentage or fixed amount reduction in the rates bill for qualifying properties/owners. Rebates are typically granted to pursue social policy objectives (helping the needy), encourage certain activities (like agriculture), or compensate for services the municipality doesn't provide (like on farms).

Laingsburg Municipality grants the following rebates on property rates, in accordance with section 15(1)(b) of the MPRA, to the categories of property/owners listed. All rebates must be looked at annually in the budget to ensure financial sustainability, and the percentages may be adjusted by Council year to year.

Rebate for Bona Fide Farming (Agricultural Properties):

To support the agricultural sector, Laingsburg Municipality grants a **rebate of 30%** on property rates for all qualifying agricultural properties engaged in bona fide farming. This rebate is applied *after* the differential rate for agriculture is considered. In practical terms: Agricultural properties are already levied at only 25% of the residential rate (ratio 1:0.25) as per Section 7, with a 30% rebate being applied to the property rates calculated.

Conditions for Farm Rebate:

- The property must meet the definition of *Agricultural property (bona fide farming)* in Section 2.
- The owner needs to apply (if required by Municipality) and provide proof of farming operation.
- If an agricultural property is used for a combination of farming and other uses (like a wedding venue, guesthouse, processing plant, etc.), the rebate will only apply to the portion used for primary agriculture. The other portions will be segregated and rated without the farm rebate (likely at business tariff).
- The rebate is not granted to “lifestyle” farms or where no substantial farming income is generated (those are excluded by category). - The 30% rebate may be reviewed by Council each year, but the intent is to maintain it to ensure farmers continue to get relief.

This rebate acknowledges that farms often provide their own infrastructure (long private roads, boreholes for water, etc.), and contribute to food security while placing relatively lower demand on municipal services compared to urban properties.

11. MULTIPLE-PURPOSE PROPERTIES: APPORTIONMENT OF RATES

As noted in Section 5 (property categories) and the definitions, when a property is used for more than one purpose, the Municipality will ensure it is rated correctly for each distinct use. The approach is as follows, in line with MPRA Section 9:

- **Apportionment by Municipal Valuer:** Where feasible, the municipal valuer will determine the *market value* of each component of the property according to its use. For example, where a single erf has a 50% residence and a 50% supermarket usage split, separate values may be assigned to each component on the erf. These apportionments will be listed separately in the valuation roll or an annexure thereof. The rates bill will then be calculated by applying the residential rate to the residential portion’s value and the business rate to the business portion’s value and summing them. This method precisely charges the appropriate rate for each portion.

- **Dominant Use (Single Value) method:** If it is not practical to split the valuation (for instance, the uses are too integrated or the valuer only assigns one value), then the category of the property for rating is determined by the *dominant (primary) use* of the property. The dominant use is typically measured by either the area devoted to each use or the relative value contribution of each use.
- **Owner requests:** An owner of a multi-use property may make a case during the valuation objection phase if they believe the apportionment is not reflective of reality.
- **Mixed-use developments:** In sectional title schemes or other formally subdivided situations, each unit is separately valued and categorized by its own use (so a shop unit in a mixed-use sectional title block will be on the roll as business, a flat unit as residential). Thus, sectional titles typically avoid multi-use on one property entry, except for common property which is usually exempt.
- **Billing:** When apportionment is done, the billing system will reflect either separate line items for each portion or a combined effective rate.

The goal of these measures is to ensure **no portion of a property escapes due contribution** and likewise that a property owner isn't overcharged by having an entire property rated at a higher category when a substantial part is actually lower-rate usage.

If at any time the use of a portion of a property changes (say, the owner converts the business section into additional residential rooms), it is the **owner's responsibility to inform** the Municipality so that the category can be updated (through a supplementary valuation if needed). Not doing so could result in incorrect billing and potential backdated liabilities or loss of relief.

12. LIABILITY FOR RATES AND PAYMENT

Rates are a charge on the property, and the **property owner** is primarily liable for the payment of the rates account. The following stipulates liability and payment requirements:

- **Person Liable (Owner):** The registered owner of a rateable property is responsible for paying the property rates. This is true regardless of who occupies the property. Even if an owner passes the cost of rates to a lessee in a private lease agreement, the legal responsibility to the Municipality remains with the owner. In cases of sectional title units, each sectional title unit owner is responsible for their unit's rates (the body corporate isn't directly billed by municipality for rates, each unit is on the roll individually). For properties under company or trust, the legal entity is the owner and liable. Joint owners are jointly and severally liable. For a property transferred during the year, the seller is responsible up to date of transfer and the buyer thereafter (with adjustment usually handled at transfer via attorneys). If an owner is deceased or insolvent, the estate is liable.
- **Method and Time of Payment:** The Council will recover rates monthly (standard practice is to include rates in the monthly municipal services bill) or, by choice of the council and communicated, on an **annual basis**. In Laingsburg:
 - By default, rates are billed annually and the become payable in **12 equal instalments** (July through June). Each instalment is due and payable on or before the due date.
 - An owner may opt to pay rates **annually in one instalment**. If an owner wishes to do this, they must notify the Municipal Manager and/or CFO in writing by **30 June** prior to the start of the financial year (or by a later date determined by the Municipality). If so opted, the **full year's rates** are payable on or before **30 September** of that year. No interest will be charged for the period July to Sept in such case, as it's not overdue.
 - Once an owner has chosen annual payment, that will remain the arrangement until they inform otherwise. If an owner fails to pay the annual amount by 30 September, the account may revert to monthly billing with interest on arrears as applicable.

Property rates payable by agricultural property owners

In a case of agricultural property owned by more than one owner in *undivided shares* where the holding of such undivided shares was allowed before the commencement of the subdivision of the Agricultural Land Act, 1970 the municipality will treat the owner of such property for the purpose of liability for rates in the following manner:

- *If the joint property owners are all available and are traceable*, rates will be dealt with in the context of whether they have entered into an agreement or not regarding payment of rates liabilities. Owners will be notified and without any communication of an agreement, joint owners of the agricultural property, will by the discretion of the municipality held liable for rates regarding agricultural property by either the application of – (Sections 24(2)(b)(i) or (ii) of the Act).
 - (i) hold any one of the joint owners liable for all rates or
 - (ii) hold any joint owner only liable for that portion of the rates levied on the levied in respect of the agricultural property concerned; or property that represents that joint owner's undivided share in the agricultural property.
- *If the joint property owners are not traceable* –
 - i) with the exception of one joint owner and such joint owner is occupying or using the entire property or a portion of 80% or more, the municipality will hold that joint owner liable for the total rates bill for that entire property, or
 - ii) If the joint property owners are not traceable with the exception of one joint owner and such joint owner is occupying or using a portion less than 80% of the entire property, the municipality will hold that joint owner liable for that portion of rates levied on the entire property that represents that joint owner's undivided share in that property.
- **Due Date and Late Payment:** Rates must be paid by the due date stated on the bill. A single day late may incur interest. The Municipality's Credit Control and Debt Collection Policy, in line with the Municipal Systems Act, governs the treatment of late payments. Interest will be charged on any overdue rates amounts, at a rate determined by Council Interest is typically calculated monthly on the outstanding balance.
- **Collection and Enforcement:** If a rates account becomes delinquent (unpaid by due date), the Municipality will act as per its Credit Control By-law and Policy.

- **Rates in a Supplementary Roll:** If a property's value changes or a new property is added in a supplementary valuation, the rates for the portion of the year affected will be billed according to MPRA section 78. If an upward adjustment occurs, the owner will get an account for the backdated amount from the effective date (prorated); if a downward adjustment or deletion, the owner gets a credit/refund from effective date. Owners are liable for any backdated rates in terms of the MPRA and must pay those, similarly subject to normal due dates. With substantial corrections, payment arrangements can be discussed with the municipality.

CLEARANCE CERTIFICATES

Audit and Legislation Compliance Process

All monies collected by the Municipality including in respect of Special Rating Areas and any estimated amounts for the duration of the validation period of a certificate in terms of Section 118(1) (a) of the Systems or Section 89 of the Insolvency Act, (Act 24 of 1936), are for the purpose of Section 118 of the Systems Act, deemed to be due and must be paid in order to facilitate the transfer of immovable property.

- All rates clearance applications must contain at least one of the following contact options for the buyers:
 - 1) The buyer's cell phone number
 - 2) The buyer's e-mail address
 - 3) The buyer's work and/or home address
- All rates clearance applications must contain the correct postal address of the buyer. Should the application be incomplete, the application will be rejected by Council.
- All amounts that are due, on date of application for rates clearance, must be paid in full prior to the issuing of any clearance certificate in terms of Section 118, of the Systems Act.
- Rates clearance figures will be calculated for the current month of application and 60 days in advance. This figure will contain rates, services, surcharges, and any other amounts that may become payable or in arrears with regards to the development, subdivided erf or sectional title unit.
- Developer's contributions will be due and payable before any rates clearance certificate is issued on new erven developments (Where applicable).

- All receipts of fees, advance rates and services will be allocated on the Seller's debtor's account. These fees will first be allocated to any arrears, clearance fee and valuation certificate fee, before allocated as an advance.
- In the case of new sectional title developments payment of developer's contribution will be due before services will be connected.
- No interest shall be paid by the Municipality to the registered seller in respect of these payments which are deemed to be due.
- Outstanding services of tenants may only be recovered for a maximum period of two years if a request is lodged for a Section 118 (3) of the Municipal Systems Act (32 of 2000) Clearance Certificate. If this is done the conveyancer, seller and buyer of the property must be informed that the remaining debt will remain on the property according to subsection 3; (The latest case law in this regard should be considered)
- The clearance certificate will be valid for 60 days.
- Extension on a clearance certificate will be granted, if all services are paid in advance for another 60 days.
- Attorneys should await figures with the unique deposit reference for developer's contributions before payments are made. Proof of payment of developer's contributions will be validated via the capital contribution schedule.
- **Refunds of credit on accounts:** If an owner has overpaid rates (e.g., they paid a year in advance but then sold mid-year, or a successful objection reduced value causing overpayment), the Municipality will refund the excess upon request or transfer the credit to the new owner's account depending on arrangements.

All refunds, including service deposits, will be paid to the transferring attorney after registration of the property (where applicable).

- Refunds will be allocated to arrear service debt of tenants and only the balance will be refunded.
- Refunds will not be issued if the services have not been connected on the new owner's name and the deed confirming new ownership is not received.

- **Incorrect Billing:** In the event that a property was rated or categorized incorrectly and thereby either over-billed or under-billed, the Municipality will rectify the error.
- If **over-billed** (e.g. too high value or wrong category), upon discovering the error the Municipality can backdate a credit for the period of the error up to the date it started (usually limited to the start of the current valuation roll, unless the error was present before and continued).
- If **under-billed** due to an error (like a category was wrong in a way that the owner paid less, or the owner provided false information leading to an improper rebate/category), the Municipality will back-bill the shortfall for the period of the error. This could go back to when the current valuation roll took effect or when the false info was given, subject to legal prescription (typically 3 years for debt). Owners will then be liable to pay the undercharged rates. The Municipality may allow these back-charges to be paid off in instalments depending on circumstances, but it reserves the right to require immediate settlement.
- Notably, if the incorrect billing was due to **false information supplied by the owner** or an **illicit use of the property** (e.g. running a business while claiming residential or agricultural rates, while misrepresenting on purpose not caused by the municipal valuer), the Municipality will backdate the correction to the time the misrepresentation started (if within the legal limit) and may also impose penalties or fines if applicable by law. It is considered an offense to intentionally mislead the Municipality for rates benefit.
- **Communication:** Rates bills are sent monthly along with service bills (combined). Non-receipt of a bill does not excuse non-payment – owners are expected to inquire if they don't get their bill and still pay by due date. The Municipality offers various payment methods (cash, EFT, debit orders, etc.) to make it convenient.

This policy must be read in conjunction with the Customer Care, Credit Control and Debt Collection Policy.

In summary, property owners must take note that paying property rates is a legal obligation tied to property ownership. The Municipality, on its part, will ensure bills are accurate and provide reasonable opportunity to pay, but will also act firmly against persistent non-payment to protect its revenue base (which in turn funds community services). All collection steps will be in accordance with the relevant by-law and national credit control norms.

13. BY-LAW TO GIVE EFFECT TO POLICY

In accordance with section 6 of the MPRA, the Council shall adopt a Property Rates By-law to give legal effect to this Property Rates Policy. The by-law mandates that rates are levied in accordance with this policy and outlines the obligation to pay rates.

All amendments to the Rates Policy are automatically incorporated into the by-law by reference, so that the by-law does not need to be re-gazetted with every immaterial policy change. However, if significant changes occur, the by-law may be updated or re-promulgated as needed.

The by-law is enforceable by law, in any case of conflict between this policy and the MPRA or by-law, the MPRA (and then the by-law) prevails, as this policy is meant to be in harmony with the legislation.

14. ENFORCEMENT, MONITORING AND COMPLIANCE

To uphold the integrity of the property rates system, Laingsburg Municipality will implement measures for enforcement, auditing, and verification as follows:

- **Verification of Rebates/Exemptions Eligibility:** Any property owner receiving a special rate or a rebate/exemption, may be subject to periodic verification. The Municipality will require renewal applications annually or at specified intervals as required.
- **False Declarations:** If an owner is found to have obtained a rebate or lower rate by providing **false information** (for example, falsely claiming to be a bona fide farmer while not), the Municipality will:
 - Immediately cancel the rebate or special rate for that property and re-bill the property at the correct rate going forward.
 - **Backdate the correction** to the time the false benefit was first received. The owner will be levied for all the underpaid rates. These additional rates amount will become payable immediately or as per an arranged plan, and it will incur interest like any other arrear.
- **Unauthorised Property Use:** The Municipality monitors land use in collaboration with the Town Planning division.
- **Collection Enforcement** will be done in terms of the Credit Control Policy.

- **Councillor and Official Responsibility:** In terms of good governance, Councillors and Municipal Officials are expected to be **exemplary** in paying their own rates accounts. Any Councillor in arrears by more than 3 months may be subjected to the processes outlined in the Code of Conduct for Councillors (they cannot be in arrears for over 3 months). Similarly, staff arrears can lead to salary deduction arrangements. These measures ensure credibility when enforcing against the public.
- **Record-keeping:** All applications, declarations, and correspondence relating to rebates, exemptions, objections, etc., will be kept on record.
- **Complaint and Appeal Mechanisms:** If a ratepayer believes an enforcement action (like termination of a rebate) has been done in error, they may lodge a complaint to the CFO and appeal to the Municipal Manager in accordance with the municipality's dispute process. This is separate from a formal valuation objection/appeal; it is an administrative appeal. The Municipality will consider such complaints promptly and rectify any mistakes. However, during the review process, the ratepayer should still comply (pay the billed amounts) until conclude.

15. VALUATION ROLL, OBJECTIONS & APPEALS

The **valuation roll** is the foundation of property rating, as it contains the market values and categories of all properties at a specific date of valuation. Key points regarding the roll and how property owners can interact with it:

- **General Valuation Roll (GV):** A new General Valuation Roll is prepared every 5 years. The last General Valuation will be effective from 1 July 2024 to 30 June 2029. The GV is compiled by a professional valuer appointed by the Municipality. All rateable properties are valued at market value (the price the property would likely sell for on the valuation date, 1 July 2023).
- **Supplementary Valuations:** Between GVs, the Municipality updates the valuation roll via Supplementary Valuation Rolls at least annually. These capture changes such as new properties, alterations, rezoning, subdivision, consolidations, errors, omissions, or significant market changes affecting a property (Section 75 of the MPRA). Owners are notified of any change to their valuation or category through these supplements.

- **Objections:** If an owner believes the valuation of their property is too high or too low, or that the property is incorrectly categorized, they have the right to lodge a **formal objection**. Objections must be in writing on the prescribed form and submitted before the close of the objection period. Each property objection is considered on its own. After submission, the Municipal Valuer will review the objection, potentially inspect the property, consider market evidence, and then make a decision (either to adjust the value/ category or to disallow the objection). This process will be applicable to the SV and the GV process.
- **Outcome and Appeals:** The Municipality will notify the objector in writing of the valuer's decision on their objection. If the owner is still dissatisfied, they can then appeal to the **Valuation Appeal Board** – an independent body appointed by the Provincial Government. The appeal must be lodged within 30 days of the objection decision. The Appeal Board will hold a hearing where the owner can present evidence. The Board then makes a binding decision. The Board can increase, decrease, or confirm the value or category.
- **Effect of Objections/Appeals on Payment: Critically, lodging an objection or appeal does not exempt the owner from paying rates at the current billed value.** Rates must continue to be paid based on the valuation on the roll in force. Corrections made in terms of Section 78(5) of the MPRA should be noted, where a correction can be effected once the owner has been notified by mail but still with the option to an objection and appeal process.
- **Communications:** It is the owner's duty to ensure the Municipality has their correct postal address or email for any notices (especially important for absentee owners). Not receiving an objection decision because you changed address and didn't inform the municipality will not reopen the period – so keep contact details updated.

In essence, the valuation objection and appeal process are the property owner's remedy to ensure their *rates are based on a correct and fair value*. Laingsburg Municipality encourages owners to review their valuations and engage in the process to promote accuracy and fairness. The Municipality for its part strives for accurate valuations to minimize disputes.

16. POLICY REVIEW AND IMPLEMENTATION

This Property Rates Policy and the applicable tariffs will be reviewed annually as part of the Municipality's budget process. The review will consider the Municipality's strategic objectives, economic conditions, legislative amendments, funding requirements, inflation, valuation trends, and the socio-economic impact on property owners. Any proposed amendments to property categories, rebates or tariffs will be submitted to Council and subjected to public consultation with the draft budget.


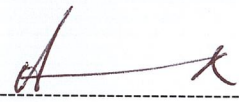
Revisions to the policy must be adopted by Council resolution and will take effect from the start of the new financial year, unless otherwise specified. The review of tariff levels will be informed by, *inter alia*, the Municipality's funding needs, inflation forecasts, property valuation trends, comparisons with neighbouring municipalities, and the potential socio-economic impact on different property categories. While the Municipality aims to maintain stable and moderate increases, any above-inflation adjustment will be motivated and communicated.

Following approval of the budget and tariffs, the Municipality will publish the approved tariffs and a summary of policy amendments in the local newspaper and the Provincial Gazette, as required by the MPRA. This policy takes effect on 1 July and will remain in force until 30 June each financial year.

DOCUMENT CONTROL

VERSION AND DOCUMENT CONTROL



POLICY NAME:	Property Rates Policy		
POLICY OWNER:	Financial Department / Revenue		
RELATED POLICIES:	Budget Policies		
REVIEW:	Annually	Budget Policy	Yes
POLICY EFFECTIVE DATE:	01 July 2026	Budget Policy Nr	02
Version	Date	Adoption	Revision
1	January 2009	1 st Adoption	
2	27 June 2024		10 th Revision
3	30 May 2025		11 th Revision
4	May 2026		12 th Revision
			
Municipal Manager J. Booysen		Mayor A. Theron	
Date: 28 May 2026		Date: 28 May 2026	