

Frequently Asked Questions

What is the Municipal Property Rates Act?

The Local Government: Municipal Property Rates Act 6 of 2004 is a national law that regulate the power of a municipality to value and rate immovable properties located within the boundaries of municipalities.

Why is there a need for the Municipal Property Rates Act?

- To regulate the power of a municipality to impose rates on property (in accordance with section 229(2) of the Constitution);
- To provide a uniform framework for regulating the rating of property throughout the country;
- To exclude certain properties from rating in the national interest;
- To make provision for municipalities to implement a transparent and fair system of exemptions, reductions and rebates through rating policies that are a product of collective participation of communities;
- To make provision for fair and equitable valuation methods of properties;
- To make provision for a fair objections and appeal process regarding valuation of property;
- To assist in building economically and financially viable municipalities that are enabled to meet the service delivery priorities of their communities.

Who is liable for the payment of municipal property rates?

All owners of rateable property are liable for the payment of municipal property rates.

How are municipal property rates determined?

Sol Plaatje Municipality uses the values in the GV Roll to determine property rates in accordance with the approved Rates Policy.

Every property on the GV Roll is assigned a property category (also known as a rating category) which will determine the applicable rate-in-the-rand. Municipal Property rates are calculated by multiplying the market value of property by a Cent amount in the Rand rate that the municipal council has determined.

For example: - If the market value of property is R 50 000, and the cent amount in the Rand rate is R0.015 (which is 1.5 Cent), the amount due for property rates is $R50\ 000 \times 0.015 = R750$ for the whole year, which means that every month the property owner will pay R62.50 (this is calculated by dividing R750 by 12 as the year has 12 months) to the municipality.

If the property in question is used as a residential property (home) The cent amount in the Rand rate will be applied after deducting the first R15 000 of the market value of such residential property (this is a minimum requirement of the Municipal Property Rates Act), which means that the R0.015 will be applied to R35 000 rather than R50 000 (that is, R50 000 less R15 000). The rates payable by the homeowner will then be $= R35\ 000 \times 0.015 = R525$

for the whole year, which means that every month the property owner will pay R43.75 to the municipality.

The cent amount in the Rand rate is decided by the municipal council taking into account public comments/submissions/inputs on the municipal council's draft rates policy and budget that is subjected to the process of community participation in line with chapter 4 of the Municipal Systems Act and Municipal Finance Management Act as well as section 4 of the Municipal Property Rates Act.

What is property rates revenue used for?

Municipalities need a reliable source of revenue to provide basic services and perform their functions. Property rates are an important source of general revenue for municipalities. Revenue from property rates is used to fund services that benefit the community as a whole as opposed to individual households. These include installing and maintaining streets, roads, sidewalks, lighting, and storm drainage facilities; operating parks, recreational facilities and cemeteries.

Property rates revenue is also used to fund municipal administration, such as computer equipment and stationery, and costs of governance, such as council and community meetings, which facilitate community participation on issues of Integrated Development Plans (IDPs) and municipal budgets.

Municipal property rates are **set, collected, and used locally**. National and provincial governments do not have the power to levy rates, nor do they share in the revenue collected. Revenue from property rates is spent within a municipality, where the local community has a voice in decisions on how the revenue is spent as part of the IDPs and budget processes, which municipalities invite communities to input prior municipal council adoption of the budget.

General Valuation Roll (GV Roll)

What is a General Valuation Roll (GV Roll)?

A GV Roll is a document containing the municipal valuations of all the properties within the boundaries of the Sol Plaatje Municipality.

What is the date of valuation and why is it important?

Section 31 of the MPRA states that for the purposes of a general valuation, a Municipality must determine a date that may not be more than 12 months before the start of the financial year in which the valuation roll is to be first implemented. The general valuation must reflect the market value of properties determined in accordance with market conditions which applied as at the date of valuation. The date of valuation refers to the date at which property values are determined and is fixed for the purpose of the general valuation roll.

How often does Sol Plaatje Municipality produce a General Valuation Roll (GV Roll)?

In terms of the Local Government: Municipal Property Rates Act, no. 6 of 2004 (The Act), a valuation roll takes effect from the start of the financial year following completion of the public inspection period and remains valid for that financial year or for one or more subsequent financial years as the municipality may decide, but in total not for more than five financial years. Generally, Sol Plaatje Municipality produces its GV Roll every four years to help minimise the impact of large fluctuations in property value.

Why does my property need to be valued?

Sol Plaatje Municipality uses the municipal valuation assigned to your property to calculate your property rates. All properties on the GV Roll are valued at market value as at the date of valuation, thus ensuring that rates are levied on a fair and equitable basis

What is market value?

The basis of valuation is market value, this is the most probable price that a property would realise on the date of valuation, if sold in the open market by a willing seller to a willing buyer (MPRA Section 46).

Who produces the values assigned to the properties on the GV and Supplementary Valuation Rolls?

The municipal valuer is responsible for the production of the roll and he or she is assisted by professional valuers, statistical analysts, data collectors and a host of diverse support staff.

Why was my property not inspected?

Site inspections of properties are not compulsory in terms of the legislation. Valuations can be performed using aerial photography with comparative and analytical tools.

Properties are earmarked for a physical inspection only when the information available on the valuations database for the property is doubtful or where changes have taken place.

How will I know the valuation of my property?

An official notice of your valuation will be sent by ordinary mail to the postal address as stored on the billing system. We will also send the official notice to all email addresses stored on the billing system. In addition, the valuation roll will be available on the City's website at <https://www.solplaatje.org.za> and all the Municipal satellite offices for viewing.

Please contact Sol Plaatje Municipality's rates section to verify/change your postal and email address.

If the address on the GV Roll is missing or incorrect, does this mean that the incorrect property has been valued?

No. The physical address of your property is not used for identifying properties for valuation. The legal description (how your property is recorded in the Deeds Office), usually the erf number, is used to accurately determine the location of a property.

What do I do if I can't find my property on the GV Roll?

If you are unable to find your property on the GV Roll, then your property may not have been valued for one of the following reasons:

- The property is not yet registered in the deed's office, or
- The property was mistakenly omitted.

In both these instances, your property will be included for valuation in a Supplementary Valuation Roll.

What if I disagree with the municipal valuation of my property?

All property owners are afforded an opportunity to object if they disagree with their municipal valuations. These objections must be submitted during the official objection period. Unfortunately, objections will not be accepted after the close of the official objection period.

What constitutes an objection?

During an official objection period you may object to any information displayed on a valuation roll, as long as you are able to support your objection. The objection must be filled in on the prescribed objection form. It is up to you, the objector, to prove that the market value assessment is wrong. Comparing the valuation to neighbouring valuations does not imply that the valuation is wrong.

If your objection is that the property owner's name or address is incorrect or the property has been omitted from the GV Roll, this will be referred for investigation.

Dissatisfaction with the amount of rates payable does not constitute an objection.

Sol Plaatje Municipality will not consider the following types of objections:

- Incomplete objection forms
- Multiple objections per objection form
- Objections completed in bad faith
- Frivolous objections to unrelated issues
- Objections not submitted on the official objection form
- Late objections

How do I lodge an objection?

Objections must be lodged on the prescribed objection form during the prescribed period. Objection forms will be available on our website during the prescribed objection period for those properties eligible to submit objections. Late objections, or those made outside of the prescribed objection period will not be accepted.

What happens if I am not happy with the decision?

You are entitled to appeal against the objection decision of the Municipal Valuer if you believe you have good grounds on which to base such an appeal. The appeal will be heard

by an independent appeal board. Information on how to lodge an appeal will be included in the objection decision notice to be posted. The period for submitting an appeal opens on the day that the objection decision notice is posted to the property owner and/or objector. You will then have 30 working days to submit an appeal

What is the process for resolving an appeal?

All appeals must be submitted to the Valuation Appeal Board (VAB), who must make a decision regarding the value of the property. A hearing will be scheduled where you will be allowed to present your appeal to the VAB.

What is the Valuation Appeal Board (VAB)?

The VAB is an independent body appointed by, and reporting to, the Northern Cape MEC for Local Government. The VAB consists of:

- A chairperson who has legal qualifications and sufficient experience in the administration of justice; and
- Two to four members with sufficient knowledge or experience in property valuations. At least one must be a valuer

What is my recourse if I do not agree with the decision of the Valuation Appeal Board?

The decision of the VAB is final whereupon both the Municipality and the appellant are bound. Sol Plaatje Municipality has no authority to amend or revoke a decision taken by the VAB. Should either the Municipality or the appellant wish to dispute the decisions made by the VAB, the only legal remedy is to institute review proceedings in the High Court in terms of the Administrative Justice Act, 3 of 2000. In terms of this Act, the review proceedings must be instituted within 180 days from the date of being advised of the decision of the VAB.

Can I apply for a rates rebate?

Indigent persons or property owners who are dependent on a pension or a social grant for their livelihoods, can apply for rates rebates. Please visit our rates offices for more information

Supplementary Valuation Roll

What is a Supplementary Valuation Roll?

The current general valuation roll for the Municipality must be updated at least once a year. This update can only be done through a Supplementary Valuation Roll. Only a subset of the properties in the municipality is valued in a Supplementary Valuation Roll.

How are properties selected to be valued in a Supplementary Valuation Roll (SV Roll)?

The subset of properties is selected in terms of section 78 of the Local Government: Municipal Property Rates Act (Act 6 of 2004), and would include:

- properties that were incorrectly omitted from the valuation roll
- properties that have been included into the municipality after the last general valuation
- properties that have been subdivided or consolidated after the last general valuation
- properties that have undergone a substantial increase or decrease in market value since the last general valuation
- properties that were substantially incorrectly valued in the last general valuation
- properties that must be revalued for any other exceptional reason
- properties where the category has changed

If I have an outstanding objection, do I need to submit another objection if my property is revalued?

Yes, you should submit an objection/review, in addition to your outstanding objection

Why did I receive multiple notices with different valuations for the same Supplementary Valuation Roll?

A property must be revalued whenever an event occurs that changes the valuation. Your property may have been valued multiple times within the Supplementary Valuation roll. We will issue a notice every time the property was revalued.

Contact us

General enquiries

Telephone:

053-8306065