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OFFICE OF THE MUNICIPAL MANAGER

Our Ref: MTREF/2020-21/TARIFFS

PUBLIC NOTICE

DETERMINATION OF FEES, CHARGES AND TARIFFS FOR THE FINANCIAL PERIOD 2020/2021

Notice is hereby given that, in terms of Sections 2, 7, 8 and 14 of the Local Government: Municipal Property Rates Act 6 of 2004 ("the Act"), read with Sections 4(1)(c)(i) & (ii) and 11(3)(i) of the Local Government: Municipal Systems Act 32 of 2000 ("the Systems Act") and Section 24(2)(c)(i) of the Local Government: Municipal Financial Management Act 56 of 2003 ("the MFMA"), the Council of the Ngwathe Local Municipality during the Council sitting of the 07th May 2020, resolved to consider the following draft fees, tariffs and charges for implementation with effect from 1 July 2020 to 30 June 2021. All tariffs include 15% VAT except where indicated.

The following percentage increase was considered and approved:

- | | |
|---|---|
| a) Water Supply | 6.6% |
| b) Electricity | 8.10% (pending actual NERSA Approval) |
| c) Sewerage | 4.5% |
| d) Refuse | 4.5% |
| e) Rates and Taxes | 4.5% (With rebates / discount on Residential and 5% discount on business) |
| f) All Other Sundries | 4.5% |
| g) 50kWh of electricity and 6kl of water will be provided only to indigents | |

Indigent Policy

- **Category A – R 4 200.00** of the total gross income per month of all occupants over 18 years: (Full subsidised services on the municipal account) to accommodate two state pensioners
- **Category B – R 4 200.00** of the total gross income per month of all occupants over 18 years (will receive a rebate of **R 200.00** per month if the market value of the household property is above 15 000).

The Council of the Ngwathe Local Municipality hereby declares its intention that the following draft rates in the Rand are to be levied for the financial year 1 July 2020 to 30 June 2021, on the market value of property or on the market value of a right in land within the area of jurisdiction of the Council as appearing in the valuation roll, in respect of the various categories of properties set out below:

CATEGORY	Rates	Exemptions, Reductions & Rebates
Residential	0,0127	A total rebate of R30 000 will be granted on the value of the property (R15 000 impermissible according to the Municipal Property Rates Act plus a further R15 000 according to the municipality's Property Rates Policy) A further 10% reduction on the market value (Market value minus R30 000 then 10% will apply on the difference)
Business, Commercial and Industrial	0,0209	A maximum of 5% reduction in line with the Rates Policy will be given
Private Owned Towns	0.0127	A total rebate of R30 000 will be granted on the value of the property (R15 000 impermissible according to the Municipal Property Rates Act plus a further R15 000 according to the municipality's Property Rates Policy)
Agriculture	0,0032 100% Phase in of MPRA	25% of the residential tariff. Any rebate will be granted in line with the Property Rates Policy
State-Owned, Government, Schools	0,0209	No rebates
Public Service Infrastructure	0,0032	25% of the residential tariff. Any rebate will be granted in line with the regulation on rate ratios
Vacant Stand Business	0.0127	No rebates
Vacant Stand Residential	0.0127	A total rebate of R30 000 will be granted on the value of the property (R15 000 impermissible according to the Municipal Property Rates Act plus a further R15 000 according to the municipality's Property Rates Policy) No further reduction
Municipal and Church Property	0	Exempted/Zero rated

EXEMPTIONS, REDUCTIONS AND REBATES:

Exemptions, Reduction and Rebates will be given to the different categories of properties and owners as follows:

Different categories of properties

Residential properties

All residential properties with a market value of less than the amount as annually determined by the municipality are exempted from paying rates. **For the 2020/2021 financial year the maximum reduction is determined as R30 000.** The impermissible rates of **R15 000** contemplated in terms of section 17(1) (h) of the Property Rates Act is included in the amount referred to above as annually determined by the municipality.

The **remaining R15 000** is an important part of the council's indigent policy and is aimed primarily at alleviating poverty.

Indigent owners

Owners who qualify and who are registered as indigents in terms of the adopted indigent policy of the municipality, regardless of the value of the property, will receive reduction from payment of property tax in terms of the Property Rates Policy.

Child headed families

Families headed by children with monthly income not exceeding **R 4 200.00** will receive a **100%** rebate for paying property tax.

Retired and Disabled Persons Rate Rebate

Retired and Disabled Persons, not registered as indigents, qualify for special rebates according to monthly household income as follows;

- **R0 to R4 200** per month - **100%** rebate
- **R4 201 to R4 660** per month - **60%** rebate
- **R4 661 to R7 252** per month - **30%** rebate
- **R7 253 to R7 850** per month - **15%** rebate
- **The pensioners residing at area where there is special negotiated tariffs with Council or tariff prescribed by law do not qualify for indigent and pensioners rebate**

Business, commercial and industrial properties

The municipality will grant rebates to ratable enterprises that promote local, social and economic development in its area of jurisdiction. Maximum rebate for the 2020-21 financial year, has been determined at **5%**.

Public Benefit Organizations (PBO's)

Taking into account the effects of rates on PBOs performing a specific public benefit activity and if registered in terms of the Income Tax Act, 1962 (No 58 of 1962) for tax reduction because of those activities, Public Benefit Organizations may apply for the exemption or reduction of property rates up to 40%. Application should be submitted by the end of August 2020 on a prescribed form.

Agricultural property rebate

The municipality will apply the standard ratio for agricultural properties as promulgated by the Minister **1:0.25 (75% rebate** on the tariff for residential properties).

The draft budget documents and tariff list are available for inspection during office hours at the municipal offices as well as on the municipal website at www.ngwathe.fs.gov.za. Written representations regarding these draft documents can be submitted to the office of the Chief Financial Officer by no later than **12h00 on Friday 05th June 2020**.

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Public / Residents / Businesses / NGO's / Rates Payers are also informed that due to the Covid-19 (coronavirus) epidemic, Council will not be holding public participation meetings, in line with the Disaster Management Act and Regulations as issued from time-to-time.

The public are requested to submit their written comments and inputs by Hand, post or email and both document can be accessed from our municipal offices and website.

BW KANNEMEYER
Municipal Manager