



KANNALAND
MUNISIPALITEIT | MUNICIPALITY

GENERAL VALUATION & PROPERTY RATES – FAQ'S



ALGEMENE WAARDASIE 2020/21

HOE IS DIE NUWE MUNISIPALE WAARDASIES BEPAAL?

Die munisipale waardasie van 'n eiendom is die bedrag wat die eiendom sou behaal indien dit op die datum van waardasie, wat 1 Julie 2020 is, verkoop sou word in die ope mark deur 'n gewillige verkoper aan 'n gewillige koper. Die vorige algemene waardasie het plaasgevind in 2013/14 en u eiendom is dus huidiglik gewaardeer soos op 1 Julie 2013.

Vir residensiële eiendom word die verkope naby die waardasiedatum, asook die toestand en ligging van die eiendom gebruik om die waardasie te bepaal.

Om eienaars te beskerm, vereis die Munisipale Eiendomsbelastingwet dat munisipaliteite professionele geregistreerde waardeerders aanstel om waardasies uit te voer.

HOE MAAK EK INDIEN EK NIE SAAMSTEM MET MY EIENDOM SE WAARDASIE NIE?

Alle eienaars word die geleentheid gebied om te beswaar te maak indien hulle nie saamstem met die munisipale waardasies nie. Hierdie besware moet gedurende die amptelike beswaar tydperk ingedien word, die tydperk sal in die waardasiekennisgewings aangedui word. Slegs besware wat binne die beswaartydperk asook op die korrekte beswaarvorm ingedien word sal aanvaar word.

Uitstel is gegee vir die indien van besware tot en met 23 April 2021 om 12h00.

WAT GEBEUR NADAT EK MY BESWAAR INGEDIEN HET?

Die beswaar sal oorhandig word aan die Munisipale Waardeerder, wat dit dan sal oorweeg en 'n beslissing sal maak. Beswaarmakers sal skriftelik in kennis gestel word van die uitslag van hul besware.

WAT GEBEUR AS DIE BESWAARMAKER NIE TEVREDE IS MET DIE BESLUIT VAN DIE WAARDEERDER NIE?

Die beswaarmaker is geregtig om te appelleer teen die besluit van die Munisipale Waardeerder indien daar goeie gronde bestaan vir die appèl. Die appèl sal deur 'n onafhanklike Waardasie Appèlraad aangehoor word. Inligting oor hoe om 'n appèl in te dien, sal by die beswaarbesluit ingesluit word.

WIE KAN GEKONTAK WORD VIR MEER INLIGTING:

Rolene Nel – 028 5518000

VALUATIONS

WHY HAS MY PROPERTY VALUE GONE UP SO MUCH?

The previous revaluation of properties was indexed to 01 July 2013 whilst the valuation date for this valuation is 1 July 2020. This is a period of 7 years during which property prices have escalated. Normally valuations take place every 5 years but Kannaland municipality was given a two-year extension.

WHAT CRITERIA WAS USED TO ASSESS PROPERTY VALUES?

Market valuations are based on transactions between willing buyers and willing sellers and the factors that influence these transactions.

For residential properties: sales close to the date of valuation, as well as the condition and location of the property are used to determine the valuation.

To protect owners, the Municipal Property Rates Act requires municipalities to appoint professional registered valuers to carry out valuations.

WHAT INFLUENCE THE VALUATION?

There are many factors which influence the value of a property and these can broadly be broken down into location, size of property, extent and type of buildings, quality and condition.

In determining the market value of immovable property certain aspects are disregarded for the purposes of valuing the property. These include:

- The value of any annual crops or growing timber on the property that have not yet been harvested as at the date of valuation;
- The value of any building or other immovable structure under the surface of the property, which is the subject matter of any mining authorisation or mining right, defined in the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002);

- Structures under the surface of the earth related to mineral extraction and the value of the mining rights and permits are excluded; and
- Any unregistered lease in respect of the property.

WHAT DO I DO IF I DO NOT AGREE WITH MY PROPERTY'S VALUATION?

All owners are given the opportunity to object if they do not agree with the municipal valuations. These objections must be submitted during the official objection period, the period will be indicated in the valuation notices. Only objections submitted within the objection period and on the correct objection form will be accepted.

WHAT HAPPENS AFTER I SUBMIT MY OBJECTION?

The objections will be handed over to the Municipal Valuer, who will then consider the objections and make a decision. Objectors will be notified in writing of the results of their objections.

WHAT HAPPENS IF THE OBJECTOR IS NOT SATISFIED WITH THE VALUER'S DECISION?

The objector is entitled to appeal against the decision of the Municipal Valuer if there are good grounds for the appeal. The appeal will be heard by an independent Valuation Appeal Board. Information on how to lodge an appeal will be included in the objection decision.

WHO CAN BE CONTACTED FOR MORE INFORMATION:

Rolene Nel – 028 5518000

rolene@kannaland.gov.za

CHARGING OF RATES

Why have a rates policy?

Section 3 of the Municipal Property Rates Act requires a Municipality to adopt a rates policy.

WHY DO WE CHARGE RATES?

Municipalities need a reliable source of revenue to provide basic services and perform their functions. Revenue from property rates is used to fund services that benefit the community as a whole. These include: constructing and maintaining streets, roads, sidewalks, street lighting, and storm drainage facilities; building and parks, recreational facilities and cemeteries, libraries and the administration of the municipality.

WHO PAYS RATES?

Rates are paid by all owners of property whether residential, farming, commercial, sectional title unit owners and even the Government Institutions.

HOW DO WE CALCULATE RATES?

Property rates are calculated on the value of the property. **The Property Rates Act requires that this value must be the “Market Value”.** Rates are calculated by multiplying the market value of immovable property by a cent amount in the Rand which is determined from the budget.

FOR EXAMPLE: If the market value of immovable property is R 380 000, and the cent amount in the Rand is R0.0170, the amount due for property rates = R 380 000 -15000 [Discount on all improved Residential Properties, in terms of Section 17, Property Rates Act, Nr.6 of 2004] x 0.0170 = R 6,205 for the whole year, which means that every month the property owner will pay R 517.08 (this is calculated by dividing R6,205 by 12 as rates payable is spread over 12 months) to the municipality.

It differs from category to category, and all are expressed as a ratio of the base rate which equals the residential tariff (currently R0.017) – See ratio's below –

Differential rates applicable	Ratio in relation to the base tariff
Residential Properties	1:1
Vacant Land: Residential	1:1
Vacant Land: Business & Commercial	1:2
Agricultural Properties	1:0.15
Businesses and Commercial Properties	1:2
Business Properties - Guest Houses / Accommodation Establishment	1:1.3
Industrial Properties	1:2
Public Service Infrastructure	1:0.25
Public Service Properties/Organs of state	1:2
Public Benefit Organisations (Incl. Old Age Homes)	1:0.2
Place of Worship - Church	1:0
Municipal Properties	1:0

An affordability assessment will be performed before the approval of the final property rates tariffs. The purpose of this assessment will be to curb an excessive hike in property rates as a result of increase in property valuations.

WHY DO WE HAVE CATEGORY OF PROPERTY?

The Property Rates Act allows a Municipality to levy differential rates to different categories of properties. This permits greater flexibility in spreading the rates charge more equitably.

WHY DO WE HAVE CATEGORY OF OWNERS?

The Property Rates Act allows a Municipality to define categories of owners to whom Rebates, Reductions and exemptions may be granted. Eg. Pensioners and disability grantees will receive a percentage rebate while sporting bodies and Public Benefit Organizations will receive exemptions, provided they meet the criteria set out in the policy.