



# AFRICA - South Africa - February 2018

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## Valuation roll to open for inspection and objections

The draft roll will be open for inspection and objection from February 20 to April 6.

Property owners in the City of Joburg will soon have the opportunity to inspect the municipal valuation roll.

The draft roll will be open for inspection and objection from February 20 to April 6.

“Property owners have the right to inspect the general valuation roll and object to an entry or against an omission from the roll,” said MMC for finance, Clr Fuzela Ngobeni.

Once the roll has been finalised, objections will only be allowed through a specific, legally determined process.

The proposed 2018 Valuation Roll records about 879 005 properties in the Johannesburg metropolitan area.

Each property value is linked to its market value, which is a determinant of the rates payable by each owner.

The valuation roll will be valid for four years and customer rates will be calculated on the same value for that period unless changes have been made that may affect the property’s value.

“The General Valuation Roll forms the basis for the levying of property rates. Owners who want to dispute the value of their properties should complete objection forms and attach supportive documents,” said Ngobeni.

Ratepayers can hand over their objections to valuation staff at any one of the 12 identified venues citywide.

The valuation review will start immediately after the objection period ends and will be conducted by the municipal valuer.

The imminent General Valuation Roll will be implemented on July 1 and will also be available on the city website [www.joburg.org.za](http://www.joburg.org.za)

## International Property Tax Institute

IPTI Xtracts- The items included in IPTI Xtracts have been extracted from published information. IPTI accepts no responsibility for the accuracy of the information or any opinions expressed in the articles.

“Ratepayers should include the reason for objecting to the valuation, along with evidence,” said Ngobeni.

The city manager, Ndivho Lukhwareni, will submit all objections to the municipal valuer at the end of the inspection period.

Property owners should note that the lodging of objections does not defer the liability for payment of rates and taxes.

“If the value of your property changes subsequent to the objection process, you will be refunded or billed the difference with interest,” Ngobeni said

### **Joburg homeowners: Is your home’s municipal value correct?**

Property owners in the City of Johannesburg are will have the opportunity to inspect the municipal valuation roll through a carefully coordinated programme, which will run for 45 days.

The draft roll will be available for inspection and objection from Tuesday, 20 February until Friday, 6 April 2018. Ratepayers will first be given the opportunity to inspect the general valuation roll from the first date of publication, before lodging any objections with the municipal valuer.

“A General Valuation Roll forms the basis for the levying of property rates. Owners who want to dispute the value of their properties should complete objection forms and attach supportive documents,” says MMC Ngobeni.

“Property owners within the boundaries of the Johannesburg metro have the right to inspect the general valuation roll and object to an entry or against an omission from the roll,” explains the Member of the Mayoral Committee (MMC) for Finance, Fuzela Ngobeni.

Once the roll has been finalised, objections will only be allowed through a specific, legally determined process, adds MMC Ngobeni.

The proposed 2018 Valuation Roll has recorded about 879 005 properties within the Johannesburg metropolitan area. Each property value is linked to its market value, which is a determinant of the rates payable by each owner. The valuation roll will be valid for four years, and customer rates will be calculated on the same value for that period unless changes have been made that may affect the property's value.

“A General Valuation Roll forms the basis for the levying of property rates. Owners who want to dispute the value of their properties should complete objection forms and attach supportive documents,” says MMC Ngobeni.

Ratepayers can hand over their objections to valuation staff at any one of the 12 identified venues citywide. The valuation review will start immediately after the objection period ends, and will be done by the municipal valuer.

The imminent General Valuation Roll will be implemented on Sunday, 1 July 2018, and will also be available on the City’s website. Once implemented, the Municipal Valuation Roll will contain a description of the property, the category in which it falls, it’s physical address, the market value and the owner’s name, to mention a few.

Property owners may inspect the roll within the specified period and lodge an objection against any of the entries. “Ratepayers should, however, include the reason for objecting to the valuation, along with evidence,” adds MMC Ngobeni.

The City Manager, Dr Ndivho Lukhwareni will, at the end of the inspection period, submit all objections to the municipal valuer. Property owners should note that the lodging of objections does not defer the liability for payment of rates and taxes.

“If the value of your property changes subsequent to the objection process, you will be refunded or billed the difference with interest,” says MMC Ngobeni.

### **General Valuation Roll now available**

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KOUGA'S General Valuation Roll has been issued and is available for inspection at the municipality's units and public libraries across the region.

The document is also available on the municipal website at <http://www.kouga.gov.za/documentlibrary/2018-general-valuation>.

The property valuations process, conducted by independent company DDP Valuers, started in July and the first draft was submitted in December last year.

The objection period is now open and will close on 30 April.

Kouga Executive Mayor Elza van Lingen said the municipality started sending notices to property owners through emails and copies attached to municipal accounts, with the contacts of the Valuations Office. "For any clarities, property owners must contact the Jeffreys Bay Valuations Office. Objections must also be lodged with this office and none of the other satellite offices will accept objections."

Van Lingen said once an objection form has been filled the objector will be issued with a number to make it easy to track.

She said objections can be submitted in person or be sent via email, but they may not be sent by postal mail.

"The reason is that objections have been lost in the mail during our previous General Valuations and we want to be fair to the public and to ourselves," said Van Lingen.

The total value of the new roll is R27,3 billion. The Mayor attributes this number to the property market remaining stable since the previous update to the valuation roll was conducted in 2014.

### You can object to the City's latest property valuation

JOBURG – The new municipal valuation roll will be open for public inspection from 20 February and will run for 45 days.

Most residents have recently received a letter from the City of Johannesburg, informing them of their property's latest valuation, which should be in line with the market value.

But most are also unhappy about this increase, saying it is highly unlikely that they would be able to sell their homes at this price.

Some residents took to Facebook to reveal their frustrations, some saying their values went up by about R800 000, others more than doubled in value.

These increases effectively mean that ratepayers will pay more on their monthly accounts for property rates.

For example, taking into account that there are no rates levied on the first R200 000 of a property's value, a property that has been revalued from R600 000 to R900 000 will see the original property rates bill of R230 possibly double.

#### How to object

The City is allowing residents to object to their valuation.

The new municipal valuation roll will be open for public inspection from 20 February and will run for 45 days.

Newly appointed MMC for Finance, Funzela Ngobeni, said the public inspect the roll until 6 April.

"Ratepayers will first be given the opportunity to inspect the General Valuation Roll from the first date of publication, before lodging any objections with the municipal valuer," he said in a statement.

Property owners have the right to object to their property's entry on this roll. But once the roll has been finalised, objections will only be allowed through a specific, legally determined process.

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“A General Valuation Roll forms the basis for the levying of property rates. Owners who want to dispute the value of their properties should complete objection forms and attach supportive documents,” said Ngobeni.

If you are satisfied that this value on the notice of the 2018 General Valuation Roll represents the market value of your property as at 1 July 2017, you need to take no action.

Should you feel that your property has been over or undervalued, you may lodge an objection.

You can object online at the City’s website [www.joburg.org.za](http://www.joburg.org.za) or by visiting one of the customer service centres across the City.

#### Objecting to the outcome of the first objection

If you are not satisfied with the outcome of your objection, you can lodge an appeal within 30 days of receiving the outcome letter of objections.

The appeal is heard by the Valuation Appeal Board. The board consists of a legal representative and two professional valuers.

The board will review and either confirm, amend or revoke the decision of the municipal valuer.

#### Establishing property market value

When valuing the properties, the municipal valuer establishes the market conditions, as at the date of valuation.

This is based on recent sales and market information activity in the various areas.

Therefore, this will take into consideration areas where values have declined, increased or remained stagnant due to the current state of the economy.

Different valuation methodologies are used to value the different types of property.

#### Municipal vs estate agent market value

The date of valuation, 1 July 2017, is the date the market value of your property will be determined, and it will remain the same until the next general valuation roll comes into effect.

Unless there were changes done to the property after that date that may influence the market value, it stays the same.

Estate agents determine the value of a property in the current market which might differ significantly from the market as at the previous date of valuation.

Before the next general valuation roll comes into effect, properties are still valued as at 1 July 2012.

#### **Emotions flare up at property rate meeting at Marks Park**

Emotions flared up at a public meeting held at Marks Park Sports Club to inform residents of Johannesburg’s northern and northwestern suburbs, about the planned increases in property rates this week.

The community’s huge concern about the rate hikes imposed by Johannesburg City Council, combined with the considerable interest in the meeting, caused a traffic jam.

Many residents who attended the meeting said they had to drive around in the area for at least 45 minutes to find a parking space.

The venue was jampacked and many people had to stand.

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The notices that the City sent to residents in the distribution area of the Randburg Sun indicated that their property values had increased substantially, meaning they will have to pay much higher rates from 1 July this year.

Some of the people who attended the meeting said their rates increased by more than 120 per cent.

Visibly upset ratepayers walked out of the meeting soon after it started because they felt their concerns were not going to be addressed.

“We are so worried and angry about the huge increase. We need answers,” said Michael Cohen of Illovo.

“Our rates went up by 120 per cent even though our pavements and roads are in such a shocking state that people often have to walk in the streets. Why are we even paying property rates?” asked Suna Rowan of Rosebank.

She added that the infrastructure had not been upgraded in many of the suburbs in more than 20 years.

Ward councillor Martin Williams said the emotions at the public meeting were understandable.

“Many of those who are the hardest hit, are fixed-income pensioners. I joined my colleagues in motivating for the pensioners’ property value limit to be increased from the present R2 million.

“We received an assurance that the limit will be raised but the amount can only be confirmed after council procedures have been followed.”

Williams requested residents to give the objection process a chance. Residents can lodge their objections online, or hand them in at one of the City’s walk-in centres from 20 February, until Friday, 6 April 2018.

### **Joburg property owners hope online system for objections works**

Property owners in the City of Johannesburg have expressed concern about whether the newly introduced system which allows them to object to property valuations online will work.

There are concerns that the new online system will experience technical glitches which were experienced when the Gauteng department of education introduced online applications in 2016.

“Our concern is whether the online system can handle the capacity of the amount of people that will be logging in to first check their property rates as well as make objections online. Our main concern is: can their system deal with that amount of objections?” said Angela Rivers, general manager of Johannesburg Property Owners and Managers Association.

But the city assured TimesLIVE that the system was well backed up and should be able to deal with the demand at hand.

Johannesburg MMC for finance Fuzela Ngobeni announced recently that property owners would be afforded an opportunity to object to the municipal valuation roll through a carefully coordinated programme, which would run for 45 days.

Property owners will be able to register their objections online which will reduce queues at the venues available for this across the city.

The new General Valuation Roll 2018 for the period July 1 2018 to June 30, 2022 will be open for public inspection effectively from 20 February 2018 to 6 April 2018.

Ratepayers have 45 days from the first date of publication of the roll to inspect the general valuation roll and lodge objections, if necessary.

The prescribed minimum legislated objection period is 30 days. There will be 12 venues city-wide where property owners can inspect the roll.

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The annual review of the rates policy is a legal requirement to ensure that the city complies with the Municipal Property Rates Act 6 of 2004.

The city's rates policy review is driven by submissions and comments from property owners, which is taken into account when drafting the final policy.

Public participation is critical in the formulation of policies and ratepayers are encouraged to take an active part in the public meetings of during the process of policy review.

Ratepayers will first be given the opportunity to inspect the General Valuation Roll from the first date of publication, and should they wish to object, they can do so by the April 6 2018.

The proposed 2018 valuation roll has recorded about 879,005 properties within the Johannesburg metropolitan area. Each property value is linked to its market value, which is a determinant of the rates payable by each owner.

The valuation roll will be valid for four years and customer rates will be calculated on the same value for that period unless changes have been made that may affect the property's value.

The imminent General Valuation Roll will be implemented on Sunday, 1 July 2018.

In the current property rates policy, there are exemptions on properties owned and occupied by people who have limited income and are not pensioners but can show annual income falls within a limit determined by the council.

In this category, the owner must apply every six months for the council's approval.

Property owners dependent on pensions will also enjoy exemption provided: - the owner has reached 60; - the owner must live on the property; - the value of the property does not exceed R2-million.

The rebate shall be as follows:

- if the owner received a national security grant, they will qualify for a 100% rebate.
- if the pensioner is 70 or above they qualify for a 100% rebate irrespective of income;
- if a pensioner has gross monthly income below and equal to R8,745, they qualify for a 100% rebate, provided the pensioner is at least 60 years of age.
- if a pensioner has gross monthly income above R8,745 but less or equal to R14,991, they qualify for a 50% rebate, provided the pensioner is at least 60 years of age.

Owners of properties who have become pensioners due to injury on duty who were members of the SAPS, SANDF, emergency services and JMPD also receive rebates.

There are also exemptions for child-headed households.

### **SA's land audit makes case for land tax**

Black South Africans may constitute 79% of the population but, as individuals, they only directly own 1.2% of the country's rural land and 7% of formally registered property in towns and cities.

Meanwhile, white South Africans, who constitute 9% of the country's population, directly own 23.6% of the country's rural land and 11.4% of land in towns and cities.

This is according to the highly anticipated Land Audit report, which has taken years for the department of rural development and land reform to compile.

The report, dated November 2017, was commissioned by the department. Minister Gugile Nkwinti presented it at the ANC's Cabinet lekgotla last weekend.

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Only 33% of land in South Africa is owned directly by private individuals. Companies, trusts, the state, traditional authorities, churches and community organisations own the rest. The state's land audit did not establish the racial ownership composition of 67% of land in the country.

The report contains potentially dramatic proposals for financing a new land reform fund, including a "land value tax" on top of municipal property rates, which were instituted in 2004.

The Davis Tax Committee is already meant to produce a report on potential new wealth taxes this year, including the feasibility of a "national tax on the value of property (over and above municipal rates)".

Nkwinti's report, however, seems to rely on a 2014 blog post by UK economist Joe Sarling to justify the proposal.

More contentiously, the report appears to call for the nationalisation of land. It recommends that new "national land rights legislation" be introduced that "vests land as the common property of the people of South Africa as a whole".

It calls for the department "to corporatise its property management portfolio" and learn from the apartheid era Development Trust and Land Act – the law that created the white state's ownership of land "on behalf" of black people.

#### MYTHS AND REALITIES

The land audit report does not deal specifically with agricultural land, but rather analyses the country's entire surface area.

This makes it incomparable to the almost simultaneous report that farmers' lobby Agri SA released in November last year, to argue that black ownership of farming land has increased significantly since 1994.

Whereas the Agri SA report deals with the 93.5 million hectares of South African land used for farming, Nkwinti's report deals with all 111 million hectares of rural and semirural land registered as "farms", as well as the 3 million hectares in towns organised as "erven".

According to a footnote in Nkwinti's report, however, the government's own "comprehensive agricultural land audit is being prepared for publication".

The report shows that state ownership of land is not as extensive as sometimes claimed. The state owns 20 million ha, compared with 93 million hectares in private hands and, of this, portions are being converted for commercial, residential and industrial use.

An additional 7.7 million hectares is unregistered trust land in the Eastern Cape and Limpopo, which is also not privately owned.

The report confirms that women own very little land compared with men. Of the land directly owned by individuals, women own 13% and couples 11%.

The findings in the land audit will bolster the ANC's plans to steam ahead with a resolution taken at its national elective conference in December, to amend the Constitution to expropriate land without compensation. This is an emotive issue that has sparked concerns from many private landowners.

The policy position was adopted after a furious debate at the conference. It became so heated that delegates nearly came to blows and almost collapsed the gathering.

Until the commissioning of the audit, there had been no reliable figures on land ownership in South Africa. The main conclusion of the report is that a new land administration commission must be created to generate data on land ownership.

The report used sources such as the deeds office, municipalities and Stats SA, in what it describes as a very arduous data-gathering exercise. Its numbers are current up to 2015.

"We have just taken the first step upon a long journey towards the goal of a sustainable relationship among South African citizens, through the effective management of land as a resource and nation-building," the report states.

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Curiously, the report classifies as state land the land owned by the Ingonyama Trust, of which King Goodwill Zwelithini is the sole trustee.

This comes on the back of another decision the ANC took at its December conference: to dismantle the Ingonyama Trust Board and transfer the at least 3 million hectares it controls to government, as part of its programme of radical economic transformation.

A high-level panel led by former president Kgalema Motlanthe was the first to propose that the 1994 act that transferred the tribal land to appease the Inkatha Freedom Party (IFP) and convince the Zulu monarch to participate in elections – be amended. This has pitted the ANC against traditional leaders, who have for years supported the party after the IFP lost power in KwaZulu-Natal.

The Zulu king recently warned that “all hell will break loose” if the proposal goes ahead. IFP leader Mangosuthu Buthelezi also raised concerns.

Meanwhile, processes are under way to survey trusts and state land in the Eastern Cape, with the intention of giving it away to communities using existing legislation.

Only 2% of the land in the country is directly in the hands of foreigners.

#### VARIANCES

The land audit reveals the significant extent to which the land situation differs between provinces – and between rural and urban areas.

When it comes to urban erven, Africans directly own more land than whites in all provinces, except the Northern and Western Cape.

Even then, the proportions are in no way near demographically representative.

In the Northern Cape, whites own an astonishing 69% of erven, by size. In the Western Cape, this figure stands at 49%.

In Eastern Cape, blacks own 21% of urban land – the highest provincial proportion.

With rural land, the completely disproportionate land ownership of white South Africans is far starker, with blacks owning a negligible amount of rural land in all provinces.

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