



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

GENERAL AND SUPPLEMENTARY VALUATIONS

FAQs

Valuation Department

(Last updated: 22 February 2023)

Disclaimer: This document is subject to frequent updating and should be regarded as a living document, which aims to provide clarity on valuation-related matters.

For more information

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Contents

General Valuation Roll (GVR)	3
Supplementary Valuation Roll (SVR)	11
Revaluation Register	13
Property Rating Category	13

General Valuation Roll (GVR)

1. What is a GVR?

A GVR is a document containing the municipal valuations of all registered properties within the boundaries of Cape Town.

The current GVR is [GV2022](#) and it includes property valuations taken on 1 July 2022, the date of valuation. The GV2022 Roll will be implemented with effect from 1 July 2023 for a period yet to be determined by Council, within the legal framework of not more than four years.

2. What does date of valuation mean?

Properties on a GVR are valued on the date of valuation to ensure fairness. The date of valuation must be a maximum of 12 months before the start of the financial year in which the valuation roll will be implemented.

The Act prescribes that all properties on the GV Roll must be valued at market value as at the date of valuation – 1 July 2022.

3. How often does the City of Cape Town produce a GVR?

The Local Government: Municipal Property Rates Act (Act 6 of 2004) (the Act) states that every metropolitan municipality (such as the City of Cape Town) must produce a GVR at least once every four years.

Generally, the City of Cape Town produces its GVR every three years to help minimise the impact of large fluctuations in property value.

4. Who produces the property valuations on the GVR?

The appointed municipal valuer is responsible for the production of the GVR with the assistance of assistant municipal valuers, statistical analysts, data collectors and support staff and they all use the Computer-assisted Mass Appraisal (CAMA) system to generate their values.

5. What is CAMA?

Computer-Assisted Mass Appraisal (CAMA) is a computer-assisted analytical system used by trained professional valuers to value a large number of properties within the City of Cape Town. The system is an efficient way of generating fair and accurate property values.

6. Why does my property need to be valued?

The City uses the municipal valuation assigned to your property to calculate your property rates. Municipal rates are determined by applying the council approved cent-in-the-rand against the property value.

7. Do I have to be home for you to come and value my home?

No. Physical property inspections are not compulsory. Our team of valuers can perform their task using comparative and analytical tools, aerial photography and CAMA techniques.

Properties identified as having undergone a change will need to be physically inspected.

8. 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 stored in our billing system.

You can also search for your property on the [valuation roll](#) to determine the valuation and other information on record for your property.

9. Can I view my valuation?

The GV2022 valuation roll is available at www.capetown.gov.za/propertyvaluations and is also available at the [public inspection and objection venues](#).

10. How are sectional title properties valued?

Sectional title units are individually registered and are valued at their individual market value at the date of valuation. Body corporate or sectional title scheme managers still require owners to pay levies, but these tend to not include municipal rates.

11. If the address on the GVR 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.

12. What is market value?

Market value is defined as the amount the property would sell for in the open market.

The Act defines market value as the price a willing buyer would pay a willing seller for a property on the open market.

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

As a property owner, you have an opportunity to object if you disagree with the municipal valuation of your property. These objections must be submitted during the official objection period on the prescribed objection form. Unfortunately, objections will not be considered after the official objection period has closed.

14. What constitutes an objection?

You may object to any information displayed on a GVR, as long as you are able to support your objection and that you submit the objection during the official objection period on the prescribed objection form. It is up to you, the objector, to prove that the market value assessment is wrong.

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

Comparing your property valuation to that of neighbouring properties does not imply that your property valuation is wrong, and cannot be used as motivation for an objection.

If your objection is that the property owner's name or address is incorrect or the property has been omitted from the GVR, this will be referred for investigation and corrected if required.

Providing comparable sales information as at the valuation date of 1 July 2022, would be considered as a well-motivated objection.

The City will NOT consider the following types of objections:

- Incomplete objection forms
- Late objections
- Multiple objections per objection form
- Objections completed in bad faith
- Objections not submitted on the official objection form
- Objections submitted after the official objection period has closed

15. What are the requirements for a valid objection?

Ensure that your property's objection:

- is well-motivated using market related information as at the date of valuation – 1 July 2022 e.g. comparable sales
- Is accompanied by appropriate supporting documentation if your property is commercial e.g. annual financial statements
- is against the entries on the valuation roll, and not against the amount payable for rates
- is submitted on the prescribed objection form
- Is submitted on its own objection form, and not as one of multiple properties on a single objection form
- Is submitted during the prescribed objection period

16. How do I lodge an objection?

Objections must be lodged on the prescribed objection form during the prescribed objection 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.

Objection forms for GV2022 can be obtained and submitted:

- a) **Online via the e-Services portal - This is the preferred method of submission.** Objections submitted via this portal will be sent directly to the Valuations database for resolution by the valuer. **Submit your objection via the e-Services portal from 21 February 2023 – 30 April 2023.** Register online at www.capetown.gov.za/en/eservices.
- b) **Email:** Go to the [GV2022 Roll](#), search for your property and download the dispute form. The completed dispute form can be emailed to valuationsobjection@capetown.gov.za.
- c) **In-Person** by visiting the GV2022 Public Inspection and Objection Venues during the operational times indicated [here](#). In-person objections will be accepted **only until 31 March 2023**.

17. What will happen at the GV2022 venues during load-shedding times?

We recommend that you plan your visit to the GV2022 objection venue so that you are able to visit outside of load-shedding times. As a contingency, manually completed objection forms will be accepted at the inspection venues during load-shedding.

You also have the option of downloading an objection form from [GV2022](#), or submitting your objection online via [e-Services](#)

Load-shedding will not be accepted as a valid reason for not submitting your objection during the prescribed objection period.

18. What sales information must be submitted to motivate my dispute?

In terms of legislation, values on a valuation roll must be market related and must be based on actual sales of comparable properties that took place around the date of valuation.

Valuations on the [GV2022 roll](#) represent the market value of your property as at 1 July 2022. You are able to ascertain the correctness of our valuation by comparing it to the sales of similar properties which occurred around 1 July 2022.

It is recommended that you use sales around the date of valuation (1 July 2022) when submitting a dispute against a value on the GV2022 valuation roll. Sales beyond 2023 cannot be used for purposes of disputing the valuation of a property.

19. How does the City deal with VAT and estate agents' commission in respect of sales used to motivate a valuation?

In respect of VAT:

- In the case of a non-residential property, if it is known that the transaction includes VAT and that the buyer is a VAT vendor, then VAT will be excluded from the sale price. This is because VAT will be claimed back from SARS as an input cost by the buyer.
- In the case of a residential property, no adjustments for VAT are made to the sale price. This is because it is most likely that the buyer is not a VAT vendor, in which case VAT cannot be claimed back from SARS as an input cost.
- In the case of a residential property purchased directly from a developer (aka a primary sale), and VAT is included in this primary sale price, no adjustment to the sale price is made.

In respect of estate agents' commission:

No adjustments are made to the sale price.

This is because the sale price reflects what the purchaser was willing to pay for the property, well knowing that the sale price includes commission in most cases.

In addition, in the case of resales soon after the original sale date, it is clear from analysis that such properties are generally not marketed or subsequently sold at the initial purchase price less the commission component of the initial sale.

It would therefore be wrong to adjust the sale price by removing commission, even if it was known how much commission was included in the sale price.

20. What do I do if I can't find my property on the GVR?

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

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

In both these instances, your property will be included for valuation in a Supplementary Valuation Roll (see below for more information).

21. How do I know my objection has been recorded on the valuations database?

An official acknowledgement notice will be issued for every objection received during the official objection period. This is a valuable document and must be kept safe, as it may be required as proof of your objection in the future.

An email acknowledgement will be sent to those property owners who submit an objection via email.

If you elect to submit your objection via the online [e-Services portal](#), you would have the option of downloading your completed objection form. Your completed form will be your acknowledgement of submission.

22. What happens after I have lodged my objection?

The objection will be issued to a municipal valuer. They will then assess the objection and provide a decision, which will be submitted to the City's Revenue Department to adjust your rates bill.

You will be notified of this decision in writing. The objection decision may result in a decrease or increase to the original valuation, or the valuation may remain unchanged. The corresponding rates account will be adjusted accordingly. You will be advised in writing of the objection decision, and of the appeal process should you not agree with the objection decision value.

Every property that has a pending objection will be flagged until a decision is made. This is to prevent debt collection action on the rates portion of the account during the dispute process.

23. What happens if I am not happy with the decision?

You are entitled to appeal against the objection decision if you believe you have good grounds to base your appeal. An independent appeal board will hear the appeal. Information on how to lodge an appeal will be included in the objection decision notice when it is posted and emailed to you.

The period for submitting an appeal opens on the day that the objection decision notice is posted to you. You will then have 30 working days to submit an appeal.

24. What is meant section 52 (s52) and when does it apply?

Section 52 of the Act states that an objection decision must be automatically submitted for review by the Valuation Appeal Board (VAB); when the difference between the objection decision value and the original value objected against is greater than 10%.

Properties that are subject to a section 52 review are automatically selected to be submitted to the VAB for review. The referral of the Section 52 review to the VAB does not require the completion of a form by the owner/objector.

Properties for which an appeal was submitted by the owner / objector do not qualify to be issued to the VAB as a Section 52 review, and will instead appear before the VAB in terms of the appeal that was submitted by the owner / objector.

It is required that owners/objectors who disagree with the objection decision should submit an appeal on the prescribed appeal application form to enable them an opportunity to personally address the VAB in respect of their valuation.

25. How long do I have to submit an appeal?

The period for submitting an appeal opens on the day that the objection decision notice is sent to the property owner and/or objector. You will then have 30 days to submit an appeal.

26. 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.

All VAB hearings are currently being conducted remotely via Skype for Business. If you prefer to have an in-person hearing, you would need to engage with the municipality to inform of this preference. Send an email to valuationsappeals@capetown.gov.za to advise of this preference.

You will receive a notification about the date and time of your remote VAB hearing.

27. What is the VAB?

The VAB is an independent body appointed by, and reporting to, the Western Cape MEC for Local Government, Environmental Affairs and Development Planning.

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.

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

The decision of the VAB is final upon which both the City and the appellant are bound. The City has no authority to amend or revoke a decision taken by the VAB.

Should either the City 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.

29. What do I need to do to prepare for by Valuation Appeal Board (VAB) hearing?

Both the appellant and the City Valuer will be afforded an opportunity to present the evidence for their recommended valuations to the VAB. The VAB will make a decision based on the evidence presented.

In terms of legislation, properties on the valuation roll must be valued at their market value as at the date of valuation. The date of valuation for the GV2022 valuation roll is 1 July 2022.

Therefore, it is recommended for both the appellant and the City Valuer to use market related evidence and sales as close as possible to 1 July 2022 as motivation to the VAB.

Should the appellant or City Valuer wish to include additional information/documentation over and above what was submitted within their prescribed appeal period, this additional information/documentation will only be accepted at the discretion of the VAB, and must be submitted 5 days prior to the VAB hearing.

30. When will I start paying rates calculated on the new valuation?

The values of properties on [GV2022 roll](#) will be applicable from 1 July 2023. Municipal rates are amended at the start of each financial year on 1 July, together with the annual budget approval. Rates may also be amended during the financial year should the property be valued in a Supplementary Valuation Roll, due to property status changes.

31. What is the purpose of the rates calculator?

The rates calculator is part of the menu of items on the Valuation Roll once a property has been selected. It provides property owners with the likely rates liability of their new GV2022 valuation as provisionally approved by Council on 24 February 2023, pending the final approval of the rates policy and ratios in May 2023.

32. Will the rates for my property be backdated?

Municipal rates for properties valued in GV2022 are effective from 1 July 2023. Rates will be backdated to 1 July 2023 for all resolved objections received against the GV2022 roll.

Properties valued in a Supplementary Valuation Roll to GV2022 cannot be backdated further than 1 July 2023.

33. Do I still need to pay the new rates if I do not agree with the value and my objection is still unresolved?

Legally, property owners are compelled to pay municipal rates, even during outstanding disputes. Your rates account will reflect GV2022 valuations until the objection has been resolved. During this time, the City will allow you to pay rates based on your previous valuation and any extra amount, which you deem to be fair.

The valuation office will ensure that a lock is placed on your account until your dispute has been resolved. The lock will ensure that you do not receive any letters demanding that you pay outstanding amounts on the rates portion of your municipal account.

Remember, this lock only safeguards the rates portion of your municipal account. It does not cover other items such as electricity, water, sanitation or solid waste.

Once your objection has been resolved, your rates account will be updated to reflect the decision and your account will be backdated to the date of implementation for GV2022 (1 July 2023).

Any amount that is still owed will be debited or credited to the municipal rates portion of your account.

34. Will the City reimburse me if I have overpaid before the objection was resolved?

In line with the current City Policies, if your property valuation decreases following an objection decision, the City will reimburse you with interest for the amount that you may have overpaid. You will have the option of having the overpaid amounts refunded to you in cash, or credited to your account. Note that a refund

General and Supplementary Valuations FAQs

application must be submitted to the Revenue Department for the interest to be reimbursed to you.

However, should your valuation remain unchanged or be increased because of the objection decision, all interest calculated on the arrears will become payable.

35. 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 www.capetown.gov.za/indigentbenefits for more information.

Supplementary Valuation Roll (SVR)

36. What is an SVR?

The current GVR must be updated at least once a year. This update can only be done via an SVR. The SVR contains details of properties that were not included in the last GVR, as well as any properties that have been changed since the last GVR.

37. What is the difference between a GVR and an SVR?

A GVR contains valuations of **ALL** properties in a municipality and is produced every three years. An SVR only contains a selection of properties and is produced at least once a year. The properties that are selected for valuation on an SVR have undergone changes, which affect their valuation.

38. How are properties selected to be valued in an SVR?

Properties are selected in terms of section 78 of the Local Government: Municipal Property Rates Act (Act 6 of 2004) (as amended) and can include properties that:

- have been incorrectly recorded in the GVR as a result of a clerical or typing error;
- have been recently included into the municipality;
- have been subdivided or consolidated;
- have category changes;
- have undergone a substantial increase or decrease in market value;
- must be revalued for any other exceptional reason;
- were incorrectly omitted from the GVR;
- were valued substantially incorrectly in the last GVR.

The date of implementation of the new values will be indicated on the notices sent out to property owners. These dates will differ from property to property.

39. Are properties currently being valued in an SVR?

Properties that have been improved or have been added, subdivided, consolidated or omitted from GV2018 will be valued in the SV05/GV2018.

SVR properties for the GV2022 roll will be valued as from 1 July 2023.

40. If my property is valued in one of the SVR valuation rolls, can I submit an dispute if I disagree with the valuation?

Yes. Legislation allows property owners who have properties valued in an SVR to submit dispute should they disagree with the valuation. The dispute must be submitted within the prescribed period allowed by legislation.

The last remaining SVR roll for the GV2018 cycle is the SV05/GV2018 roll – the objection period for this roll will take place in from 21 July 2023 until 31 August 2023. The objection periods for all previous SVR Rolls during the GV2018 cycle are closed.

The first SVR roll for the GV2022 cycle will be SV01/GV2022, for which the objection period will happen from July to August 2024.

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

Yes, you should submit a dispute, in addition to any other outstanding dispute you may have lodged.

A separate dispute form must be submitted for every valuation that is completed, should there be a disagreement with the valuation.

42. If my property is valued in both an SVR and a GVR, do I have to dispute both if I disagree with the value?

Every valuation roll stands on its own. A dispute decision against one roll will have no effect on another roll. Therefore, you will need to submit separate disputes against every value on every roll with which you disagree.

43. Why did I receive multiple notices with different valuations for the same SVR?

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

You are eligible to dispute every valuation with which you disagree.

44. If I have received multiple valuations for the same property, can I submit one dispute for all of them?

No. A separate dispute form must be submitted for every valuation that you believe to be incorrect. This is because every valuation has its own unique SV reference number that is included in the notice sent to you. This number must be inserted onto the dispute form.

Revaluation Register

45. How do I query my property's value if I missed the official objection period?

If you missed the prescribed dispute period for the GV2022 roll or any of the applicable SVR rolls, you may request for your property to be added to the Revaluation Register.

46. How do I request to be added to the Revaluation Register?

Please email your request to valuations@capetown.gov.za. You must provide:

- Information about what you believe the correct value to be
- Evidence about why you believe the current valuation is incorrect
- Sales evidence in support of the valuation amendment you are requesting.

47. What happens after my property is added to the Revaluation Register?

Your property will be entered into an SVR to be reassessed. You will be notified of the outcome in writing and can submit a dispute if you disagree with the value.

Please note: Request for the Revaluation Register will only be processed after legislated objections have been finalized.

Property Rating Category

48. How is my property categorised?

Your property is largely categorised according to what it is used for. There are some property rating categories that take ownership into consideration, and this determines how your property rates are calculated.

For the 2023/2024 financial year, there are 23 property-rating categories, which the City has identified in accordance with the Local Government: Municipal Property Rates Act (MPRA).

Every property-rating category is assigned a rate-in-the-rand. Annual municipal rates are calculated by multiplying the value of the property by the rate-in-the-Rand associated with the property-rating category as it appears on the GV2022 roll.

49. How do I submit my GV2022 objection against my incorrect property category?

The objection must be submitted as per normal - on the prescribed form during the prescribed objection period - however please note that additional information will be required during the process for an objection which relates to the property RCs which attract a lesser rates amount. The additional information that would be required is as specified in the applicable application form."

50. Are there property-rating categories that attract a lesser rates amount?

The following categories attract a lesser rates amount:

- a) Agricultural Properties
- b) Cemeteries and Crematoria;
- c) Nature Conservation Land;
- d) Public Service Infrastructure Properties;
- e) Properties owned by a PBO and used for specified public benefit activities. More information is contained on the application form and question 6; as well as the following organisations-not-for-profit:

“Organisation – Not – for - Profit” means;

- a Non Profit company defined as such in terms of Section 1 of the Companies Act 71 of 2008,
- a registered Non-Profit Organisation
- a registered Public Benefit Organisation
- a Trust, where none of the Trustees are beneficiaries and the Trust operates for a public benefit
- a voluntary organisation operating for a public benefit
- a religious organisation community.

a) Properties owned by an organisation – not for profit and used for animal shelters;

“Animal Shelter” means a property used for the protection, rescue and rehabilitation of domestic animals;

b) Properties owned by an organisation – not for profit and used as an early childhood development facility;

“Early Childhood Development Facility” means a property used as an Early Childhood Development Facility registered with the Western Cape Provincial Government.

c) Properties owned by an organisation – not for profit and used for youth development;

“Youth Development” means a property used for extra mural activities by the youth for developmental purposes (including organisations such as the Scouts, Girl Guides, Voortrekkers or organisations the Municipal Valuer deems to be similar).

d) Properties owned by an organisation – not for profit and used as accommodation for the vulnerable;

“Accommodation for the vulnerable” means a property used for:

- A shelter for homeless adults;
- A shelter for the abused and/or victims of violence;
- A children's homes which cares for homeless children as stipulated in the Children's Act, 38 of 2005 used primarily for the accommodation of children;
- A home accommodating and catering for the health of physically or mentally challenged individuals.

e) Properties owned by an organisation – not for profit and used as a local community museum;

“Local Community Museum” means a property that is used as a museum that concentrates on the history and culture of the immediate local community within which it is situated.

f) Properties owned by an organisation – not for profit and used for an old age home;

“Old Age Home” means a property specifically used for the accommodation of retired people.

g) Properties owned by an organisation – not for profit and used exclusively for amateur sport; This relates to property used for none professional sporting activities.

h) Properties owned by a Social Housing Regulatory Authority accredited Social Housing Institution and used for social housing;

“Social Housing” means a property used for a rental or co-operative housing option (primary place of residence) for households earning between R1 501 - R15 000 per month.

- i) Properties owned by war veterans' associations and used for the welfare of war veterans.

The property categories [(d) – (n) listed above] have an ownership and usage component. Both components must be met in order for the property to be categorised accordingly.

Please see the applicable application form for more information.

51. Can I apply to change my property rating category?

The application processes to change the property-rating category is only for the agricultural property-rating category as well as the property categories that take ownership into consideration namely:

- a. Properties owned by a PBO and used for specified public benefit activities;
- b. Properties owned by an organisation – not for profit and used for animal shelters;
- c. Properties owned by an organisation – not for profit and used as an early childhood development facility;
- d. Properties owned by an organisation – not for profit and used for youth development;
- e. Properties owned by an organisation – not for profit and used as accommodation for the vulnerable;
- f. Properties owned by an organisation – not for profit and used as a local community museum;
- g. Properties owned by an organisation – not for profit and used for an old age home;
- h. Properties owned by an organisation – not for profit and used exclusively for amateur sport;
- i. Properties owned by a Social Housing Regulatory Authority accredited Social Housing Institution and used for social housing; and
- j. Properties owned by war veterans' associations and used for the welfare of war veterans.

Please see question 3 for the requirements. Please click on the link to download the [application form](#). The supporting documentation required in order to apply to have the property category changed, can be found on the application form/s.

52. What are the requirements for a property to be categorised as Agricultural?

The property must be used for agricultural purposes. An application to change the property category to Agricultural must be accompanied by a SARS IT34 certificate and a statement describing all activities performed on the property.

Should you wish to apply for a change in property category to that of an Agricultural property category, download the application form [here](#).

53. What are the requirements for an organisation to be categorised as Property owned by a Public Benefit Organisations (PBO) and used for specified public benefit activity?

In order for a property to be categorised as "Property owned by a Public Benefit Organisations (PBO) and used for specified public benefit activities (PBA)" and to be rated at 25% of the residential Rate-in-the-Rand, the following three requirements must be met:

- ✓ The registered owner **must** be a registered PBO;
- ✓ The user (if not the owner) **must** also be a registered PBO; and
- ✓ The property **must** be used for specified public benefit activities in line with Part 1, Schedule 9 of the Income Tax Act. Examples include providing welfare and humanitarian services, health care and education and development programs in accordance with items 1, 2 or 4 of Part 1 of the 9th Schedule of the Income Tax Act.

If the organisation is the registered owner of more than one property, an application form for each property will need to be completed. If the property is used for multiple purposes, you will need to provide a separate list of each allocation / portion and details of how each of the allocations/portions are used.

This applies to sectional title scheme owners as well.

Application for the change in the property category to Property owned by a Public Benefit Organisations (PBO) and used for specified public benefit activity can be found [here](#).

54. What happens if my property does not meet all the criteria to be categorised as one of the property categories that attract a lesser rates amount?

If your property does not meet the ownership and usage criteria of the property rating categories that attract a lesser rates amount, it will not be categorised as such, and will therefore, not qualify to receive the associated percentage charge of the residential rate-in-the-rand. Your property will then fall within a property-rating category determined on "use" only.

55. What does the Miscellaneous Property Rating Category entail?

The default position for a property that does not fall within any property category was the Business and Commercial property category. This new property category now comprises of property that does not fall into any other category of property. At the discretion of the Municipal Valuer, this includes but is not limited to properties used as residential detached structures; military camps; prisons; professional sports club/facility/stadium /field; memorial/monument; Parking; community centres; archives; library; halls; common property and museums but excludes properties owned by an organisation – not for profit and used as a local community museum.

56. Terminology

Rebate:	A discount granted on the amount of the rate which is payable on the property. E.g., Owners who are dependent on pension or social grant for their livelihood.
Exemption:	Is when the City is able to levy a rate however has opted to not to do so. The ratepayer therefore is not required to pay rates.
Reduction:	The lowering, of the amount for which the property was valued and the rating of the property at that lower amount.
Impermissible Rate:	This is when in terms of the MPRA, a municipality is not allowed to levy a rate on property.

57. How is a property that is used as a place of public worship, billed for rates?

In terms of section 17(1)(i) of the MPRA “a municipality may not levy a rate on a property registered in the name of and used primarily as a place of public worship by a religious community....”

In terms of the MPRA, a place of public worship is defined as:

“Property used primarily for the purposes of congregation, excluding a structure that is primarily used for educational instruction in which secular or religious education is the primary instructive medium: provided that the property is:

- (a) Registered in the name of the religious community; [or]*
- (b) Registered in the name of a trust established for the sole benefit of a religious community; or*
- (c) Subject to a land tenure right.”*

The City will categorise all properties used primarily as a place of public worship as *Property owned by a religious community and used for specified religious purposes* and if the property meets the requirements of the MPRA, no property rates will be charged.

If you are of the view that the property meets the requirements as defined as a place of public worship and is incorrectly being charged property rates, please provide the City a copy of one of the following:

1. The Trust Deed as proof that the property is registered in the name of a trust established for the sole benefit of a religious community; or
2. Applicable documentation as proof that the property is subject to a land tenure right.

Kindly submit the required documentation via email to BIVR@capetown.gov.za.

58. What does Property owned by a religious community and used for specified religious purposes entail?

“Properties owned by a religious community” means a property-

- (a) registered in the name of a religious community;
- (b) registered in the name of a trust established for the sole benefit of a religious community; or
- (c) which is subject to a land tenure right and occupied by a religious community.

“Specified Religious purposes” is limited to property used primarily as listed below by a religious community:

- (a) public worship;
- (b) administrative support offices;
- (c) halls used for gatherings and related religious activities; and
- (d) parking areas used in conjunction with (a) - (c) above

It specifically excludes a structure that is used for educational instruction (whether secular or religious).

“Public worship” relates only to the gathering of people conducting an act which signifies a service, practice, ceremony or ritual which reveres a divine deity and which is open to the public (not a gathering for any other purposes).

“**Religious activities**” means actions conducted in the furtherance of the objectives of or the projects undertaken by the religious community.

59. How can I make an application for the residence of the office bearer?

In terms of section 17(1)(i) of the MPRA “a municipality may not levy a rate on a property registered in the name of and used primarily as a place of public worship by a religious community, including the official residence registered in the name of that religious community which is occupied by the office-bearer of that community who officiates at services at that place of public worship.”

The manner in which the legislation is drafted, only allows for one residential property and by implication only one primary office bearer per place of public worship. We have however interpreted this to mean per branch/church building that meets the requirements of a place of public worship. Any other property owned by the religious organisation will be rated according to the use of the property as set out in the Rates Policy.

The default property category will be Residential Property, but a rate will not be levied on the property in accordance with section 17 of the MPRA.

The application for the residence of the office bearer can be found [here](#).

The impermissible rate will apply if:

- The religious community must be the registered owner of the property which is being used as a place of public worship; and
- The religious community be the registered owner of the property which is being used as residential property; and
- The residential property must be used as the primary place of residence by the office bearer of that place of public worship.

If you are of the view that the property meets the requirements and is being rated incorrectly, you are encouraged to make application. The application form for the residence of the office bearer can be downloaded [here](#) and must be completed and returned to BIVR@capetown.gov.za together with all the supporting documentation specified in the application form.

Note: The confirmatory statement - which forms part of the supporting documentation - must clearly state that the primary office bearer resides at the property.

The proof of address provided must be a document which is not less than 3 months old and addressed to the primary office bearer, and cannot be a municipal account.

60. Can I still apply for a rebate for my Agricultural Property?

The process of applying for an agricultural rebate fell away as from 1 July 2019. In accordance with the Act and the City of Cape Town's Rates Policy 2022/2023 , property that is being used for agricultural purposes will be categorised as agricultural property and will be rated at no more than 25% of the residential rate-in-the-rand.

Should you wish to apply for a change in property category to that of Agricultural property category, please click the link to the application form [here](#).

61. In the past I was able to apply for a rebate, am I still able to do so?

Rebates can no longer be applied for in respect of residential, PBOs/NPOs and Agricultural properties. Properties are categorised based on use and will receive the rate-in-the-rand applicable the property category as it appears on the valuation roll.

The only rebates available are to indigent owners and to owners who are dependent on pension or social grants for their livelihood. These rebates are processed by the Revenue Department, and are subject to a set criteria.

62. In the past I received an exemption. Am I still eligible for this?

The only property that the City will not levy a rate on are private roads or any other property where the market value of the property is equal to or less than R50 000. This however does not apply when other service charges (including availability charges) or an additional rate in respect of property situated in a special rating area (as contemplated in section 22 of the MPRA and the Special Rating Area By-law and Policy) are billed to that property nor will it apply to any units in a sectional title scheme.