Frequently Asked Questions

# 2025 Property Rates

a world class African city

## IMPLEMENTATION OF SECTION 15 OF THE MUNICPAL PROPERTY RATES ACT (MPRA) NO.6 OF 2004

Which section of the MPRA regulates exemptions, reductions and rebates for property owners in South Africa?

Section 15 of the MPRA empowers municipalities to grant exemptions, reductions, or rebates on property rates for various reasons. This means a city can reduce or waive rates for certain property owners or categories of properties, such as indigent residents, in accordance with the municipality's own Rates Policy and annual budget process.

What rates reduction does the City grant?

The City exempts residential properties on the first part of the value up to R300 000 of the market value. This means that residential property owners will not pay rates on the portion of their property value up to R300 000.

Will I receive R300 000 residential threshold for all the residential properties if I own more than one property?

The City limits the R300 000 residential rates rebate to your primary residential property only. The City will not grant you the R300 000 residential threshold for the second property, however, it will not levy a rate on the first part of the value up to R15 000 (threshold value) of the market value of the second and every other property. This process is called Sect 15 of the MPRA.

Does Section 15 apply to other property categories?

No, Section 15 does not apply to other property categories, it only applies to residential properties.

Will section 15 apply to the second property if I own one property alone and the second property jointly own with my wife?

Although you own two properties, section 15 will not apply since your wife owns one property.

## PEOPLE WITH DISABILITY REBATE

Who can apply for disability rebate?

Property owners who are disabled and not older than 59 years of age.

What must I attach to the rebate application form?

The applicant must attach the following supporting documents:

- Letter from a medical practitioner/suitably qualified person.
- Medical records.
- Referral form.
- Card/letter for chronic medication collection.
- Any other documentation that can support your application.

## CHILD HEADED HOUSEHOLD REBATE

**Who qualifies for a child headed household rebate?**
The terminally ill parent or their children.

**What is the criteria for a child headed household rebate?**
The property must be owned by a terminally ill parent or the child of the terminal ill parent or deceased estate of the parent.

**Who must apply for the child headed household rebate?**
The terminally ill parent or their children must annually apply for the rebate. If the parent is terminally ill, a certified copy of a medical report confirming his/her status.

## PUBLIC BENEFIT ORGANISATION (PBO)

**How is a property categorized as a PBO for property rates purposes and what criteria must it meet?**
A public benefit organisation (PBO) is a non-profit company (as set out in schedule 1 of the Companies Act) that has been established in South Africa. The PBO should exclusively carry out public benefit activities in a non-profit manner. To be considered for a rates rebate, the organisation should be a PBO that qualifies for a tax exemption as contemplated by part 1 of the ninth schedule of the Income Tax Act. A PBO is required to provide a specified public benefit service ("The Act requires that the PBO conducts its activities in a non-profit manner and with an altruistic or philanthropic intent.") as set out in terms of Section 30 of the Income Tax Act. Property in this category will be rated at a quarter of the residential tariff as per the Rates regulations. The property must be owned by a registered PBO.

**We are an organization with a PBO status, can the City classify our organization under PBO for rates and taxes billing?**
To qualify for PBO status for rates and taxes purposes, the property must meet two criteria:

- The property must be owned by a registered PBO.
- The property must be used for public benefit activities.

**I meet the PBO criteria in terms of the 2025/26 Rates Policy, how do I apply to be categorized under PBO status for rates and taxes purposes?**
The PBO must complete an application form and submit the form to the nearest customer service center to obtain a reference number.

## VALUATIONS

**I live in a sectional title complex with similar houses and market values; however, the value of mine is too high. What shall I do to have this corrected?**
Sectional title units are individually registered and are valued at their individual market value at the date of valuation. The property owner must complete a Section 78 form, more formally a Section 78 Query, to have the property investigated.

What documentation is required to be attached to the Section 78 form?

The property owner must attach the following supporting documents that substantiate the claim that the property is overvalued:

- Purchase agreement: If you recently purchased the property at a lower price than the current valuation.
- Valuation reports from a Registered Valuer: A professional valuation report from a registered valuer that provides a lower valuation for your property or for similar properties in your area.
- Market evidence: A list of recently sold properties in your immediate area that have similar characteristics (e.g., size, number of bedrooms, features) and were sold at lower prices.
- Other information: Any other details or motivated reports that demonstrate adverse conditions affecting your property's value or that could provide a more accurate assessment of its market value.

How must I request a re-evaluation of the property, as it is currently overvalued? We kindly request that it be revalued in line with the purchase price from March 2025 and that all current rates be retrospectively recalculated accordingly.

The property owner must complete a Section 78 form, more formally a Section 78 Query, to have the property investigated. This form allows the property owner to formally request a review of their property valuation or categorization by providing additional information to support their case.

What must I do, I am billed under vacant category despite being a residential property owner?

The property owner must complete a Section 78 form and attach occupational certificate to have the property categorised as a residential property.

## UNATHORISED USAGE

The invoice refers to "unauthorised use" and has a substantial back charge reflected, what does that mean?

The tariff applies to properties used in ways not permitted by the Town Planning Scheme, without the Municipal approval and in violation of the National Building Regulations Act 103 of 1977. All property and landowners are required to comply to the City of Johannesburg's By-laws. Non-compliance with the City's by-laws will attract a penalty charge.

Is unauthorized tariff more than residential tariff?

Yes, the unauthorised tariff is more than residential tariff, it is twelve times the residential tariff.

## PENSIONER REBATE

Is the rebate automatically granted?

No, the rebate is not automatically granted, the property owner must complete an application form with supporting documents and occupy the property.

Can a residential property owner who meets the criteria in terms of age and income apply for pensioner rebate irrespective of the market value?

Any residential property owner, irrespective of the market value, can apply for pensioner rebate provided that the applicant is 60 years or older and is the registered owner of the property.

Is the City considering pensioner applications (rebate applications) if the account is in arrears?

No, the rebate will only be processed if the account is not in arrears unless there is a payment arrangement or dispute. Should the customer default on the payment arrangement, the City reserves the right to withdraw the rebate. The rebate serves as a reward for property owners who keep their accounts up to date.

I own multiple properties; can I apply for a pensioner rebate for all my other properties?
No, you cannot, the pensioner rebate is granted to one property for owners with multiple properties.

## RESIDENTIAL PROPERTIES BILLED BUSINESS PROPERTY RATES

Why am I billed business rates, yet the property is a residential property?
Property rates are levied based on zoning as stipulated by the Town Planning Department. Zoning, defined as land use rights, drives the category of property, which in turn specifies property rates tariff rating. For example, properties zoned residential are categorised as residential category and are therefore levied a residential property rates tariff. Properties zoned special, business, and undetermined are categorised as business and commercial and are therefore rated at a business property rates tariff, even if they are used for residential purposes. It could be that your property is zoned business, hence business billing.

Can I apply to be billed residential if my property is zoned business and if yes, what is the process?
In terms of the 2025/26 Rates Policy, residential property owners, who are being billed at a business property rate tariff, can apply at the Customer Service Centre on a form prescribed by the Council to be charged at residential rates. Where the actual usage is primarily residential, the residential rates and property value reductions and rebates will apply to such property. The residential tariff will be applied from the date of application.

## RELIGIOUS PROPERTIES

Are religious properties exempted from paying 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…."

I own a church under my name, will my property be categorized as religious property and exempted from paying property rates as stated in the 2025/26 Rates Policy?
The property will not be categorized as religious property since the property is registered under your name. For a property to be classified as a religious property, the property must be registered in the name of the church.

Our church is registered as a Pty (Ltd) company, can it be exempted from paying property rates?
The property will not be exempted from paying rates as it is not registered in the name of the church.

## AGRICULTURAL PROPERTIES

I am planting cabbages in my residential property and selling it to few retailers, can my property be classified as agricultural property, paying a quarter of the residential tariff?
The property will not be classified as agricultural property as the property is not primarily used for agricultural purposes. For a property to be classified as agricultural property, it must be used primarily for agricultural purposes.

## REBATE PROCESS

How can we get the rebate application forms?

Property owners can access the application forms through the following channels:

- Email to request forms at: ratescomments@joburg.org.za;
- At any City's Customer Service Centre (walk-in-center);
- City's website: www.joburg.org.za under City Services and Rebate.

## REBATE CONDITIONS

Can rebate be granted if the account is in arrears?

The rebate applications will only be processed if the account is not in arrears, unless there is a payment arrangement or dispute in place. Should the customer default on a payment arrangement plan, the City reserves the right to withdraw the rebate.

**A message brought to you by: City of Johannesburg Group Finance: Communications and Stakeholder Management**


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