# SOUTH AFRICA – September 2021

### **CONTENTS**

# New valuation roll: Property taxes hit Ekurhuleni residents hard

The metro confirmed that the new rates are based on the new valuation roll that has just been implemented.

Residents of Ekurhuleni feel that they are being cheated on their property rates and taxes as a result of the City's 'flawed' general valuation roll, which came into effect at the beginning of July 2021.

The City of Ekurhuleni appointed Opti and Black Dot property consultants to prepare the general valuation roll that came into effect from July 1 and should be valid until June 30, 2025.

Property owners said the new valuations have doubled their rates and taxes.

The metro says ratepayers who missed the objections window yet believe their property is overvalued, can fill in Section 78 query form and submit it to the nearest municipal offices.

Up by over 100 %

One of the displeased residents, Douglas Brake of Boksburg, said on receiving his August rates and taxes invoice, he discovered that his property rates have been increased by 111.4%.

In his case, the increase represents R952.98 a month more than what he normally paid.

He also pointed out that his property was among many other residents' property in the neighbourhood that the city's assessors apparently overvalued.

"On speaking to numerous neighbours, many other residents have experienced the same level of increase, and the minimum increase of the people I asked was a 31% increase.

"Inflation is currently under 5%. Municipal workers increases are being negotiated at below such rate, so then why are rates being increased at such astronomical amounts?"

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Brake said as residents who are challenging the valuation process and others with pending objections, they are not pleased that the metro has already started charging them the new rates before sorting out the problems with the roll.

"During this difficult time of Covid-19 and a very tight economy, Ekurhuleni is pillaging their financially distressed ratepayers."

#### No added value

Besides, Brake also asked as to what would be the added value to make the metro's public services worth the exorbitant charges.

"What do we get for our rates and taxes to justify these increases? Potholes, power outages, water stoppages, filthy city centres, parks with long grass, dysfunctional service centres, irregular refuse collections, unhelpful and rude municipal employees and no metro police outside office hours is what we sit with," said Brake.

Brake also questioned the metro's decision not to make the valuation roll available electronically for inspection in this modern age.

"Amid the lockdown, we were informed that we had to go into the municipal offices to inspect the roll and to object you had to go into the municipal offices to get the forms. This forced residents to join the long queues and risk catching Covid-19.

"Apart from the long lines at the municipal offices, the offices were on a regular basis closed for sanitation. Working residents couldn't take time off to stand in such queues.

"All these indicate that the whole process was designed to push through the increases while at the same time making it as difficult as possible for residents to object."

## Undervalued

Metro spokesperson, Zweli Dlamini, confirmed that the new rates are based on the new valuation roll that has just been implemented.

Responding to complaints about properties that have apparently spiked by more than 100% since the new roll kicked in, Dlamini said some properties were previously undervalued.

"When aligned with current market value, the increase looks huge when comparing with the previous valuation roll," said Dlamini.

"It's important to understand that the municipal valuer can either decrease, increase or unchange the value depending on his market findings when determining the value of your property.

"Municipal value should be in line with market value, which is the amount a property would have realized if sold on the open market by the willing and informed seller to the willing and informed buyer on the date of valuation."

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