

Property Rates Cape Town

Friday, 06 April 2007

Last Updated Friday, 06 April 2007

The City of Cape Town is the first metropolitan municipality to levy rates in terms of the new Municipal Property Rates Act, following the recent General Valuation.

Therefore as from 1 July 2007, individual property owners will have to pay the new rates which amount will depend on whether the valuation of your property has risen by more or less than the average increase in values of about three times since the last valuation in 2000.

Increased values do not necessarily mean an increase in the amount of rates paid. The City has reduced the cents in the rand payable in each category, to compensate for the overall increase in values. What is more relevant for an individual property owner to assess is whether their property has increased by more or less than the average increase in that category.

The cent in the rand has been adjusted substantially downwards to compensate for the higher values. Many homeowners will pay about the same from 1 July 2007, but those with substantial gains in property value will pay more than average increases.

The new rate is 0.459 cents in the rand (down from 1.242 cents) for residential properties and 0.851 cents in the rand (down from 1.774 cents) for non-residential properties.

How to calculate your new rates:

Rates

Work out your rates bill using the new value in the Valuation Notice sent to you:

Total improved value R

less R88,000.00 rebate R

Nett value R x 0.00459

Annual rates R divided by 12 months

Monthly rate R

Â

Â