



MEDIA RELEASE

FREE STATE COMMUNITIES SPEAK OUT ON MUNICIPAL PROPERTY RATES ACT REVIEW

Bloemfontein 15.04.2010 –Free State farmers organisations, traditional leaders, civic society and individual ratepayers, turned up today to give their views and inputs at a highly interactive provincial public hearing, on the proposed changes to the current Municipal Property Rates Act (MPRA).

Today's Free State public hearing to engage property owners on payments of property rates held at the provincial legislature, formed part of the public hearings that are currently conducted by the Department of Cooperative Governance and Traditional Affairs (COGTA), together with the provincial local departments across the country.

The act makes provision for all municipalities that have the power to levy rates, to value properties and impose property taxes within their municipal jurisdiction. However, implementation of the Act has proven to be a challenge to most municipalities, which has led to inconsistencies in its application.

Since the implementation of the MPRA in 2005, COGTA has observed the following critical inconsistencies and weaknesses.

- Exclusion of poor households from paying the MPRA is currently at the discretion of individual municipalities, which creates inconsistencies and leaves the poor vulnerable.
- The role of the MEC in monitoring the implementation of the Act by municipalities is not clear, this has left MECs with inadequate tools to intervene in cases where they ought to.
- The valuation of mining properties has also proven to be a challenge to some municipalities. Interpretation inconsistencies have emerged in relation to the valuation of the above surface improvements of mining properties.

These observations form part of changes that are being proposed in the Act.

Today's valuable public input on the review process of the MPRA will be considered when COGTA prepares the Bill to amend the Municipal Property Rates Act, which will be submitted to Parliament in September this year. Members of the public will still have an opportunity to make their input when the Bill is released for public comments.

Public members can forward their written input to COGTA by sending an e-mail to mpra@cogta.gov.za or fax to **(012) 334-4811** until 03 May 2010.

Issued by the national Department of Cooperative Governance and traditional Affairs, and the Free State Department of Cooperative Governance and Traditional Affairs.

For enquiries and interview requests regarding MPRA public hearings, please contact:

Ms Veronica Mafoko – national COGTA on 082 559 1076

Mr Ischmaelson Mokone – 082 529 3224 for interviews with the MEC or provincial representative.