

Pensioner's Rebates at COJ: 2023/2024 Financial Year

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INTRODUCTION

In our last article about pensioner's rebates in April 2023, we explained the new criteria and threshold requirements for pensioner rebates in the 2023/2024 financial year.

The COJ has subsequently issued the final version brought into operation of law on 1 July 2023, which have slightly different requirements to the draft versions we examined in our prior articles. Below is a discussion of the final rates policy and tariffs regarding pensioner's rebates.

WHAT IS A PENSIONER'S REBATE?

A rates rebate is a discount on the amount of residential property rates that you pay to the municipality each month for your property ownership. Certain registered property owners located within the COJ can apply for pensioner's rebates. Specific criteria must be met before a pensioner can qualify for a rebate, prescribed by the municipality, which change from time to time.

As the requirements change yearly, it is important to always check the current requirements before applying. Also, if you have already applied, keep checking if the criteria have changed, as you may need to re-apply or may no longer qualify.

WHO IS A PENSIONER?

A pensioner is anyone over 60 years old. There are, however, exceptions to the generally-accepted notion.

CATEGORIES OF PENSIONERS

There are three different rebates that pensioners can apply for.

Pensioners from 60 – 69 years

1. You can qualify for a 100% rebate of rates charges for your property, but only up to the property value of R 1,5m if you earn less than R 11 904. You will pay rates on the value above R 1,5m.

2. You can qualify for a 50% rebate of your property rates but only up to the property value of R 1,5m if your income falls above R 11 904 but below R 20 404. You will pay rates on the value above R 1,5m.
3. If your income is above R 20 404, you do not qualify for a rebate.
4. The income that must fall below the thresholds above is not only the pensioner owner's income, but the entire household's income.
5. The rebate is based on the market value of the property (as valued by the City on the General Valuation Roll). Starting 1 July 2023, you only qualify for a rebate on the property rates up to a value of R 1,5 million of your property value. Rates will be payable on any value above that threshold.
6. The pensioner to whom the rebate is granted, and who is an owner of that property, must personally occupy the property.
7. The rebate only applies to the following types of properties:
 - Residential properties;
 - farm properties used for residential purposes;
 - and smallholdings used for residential purposes.
8. A pensioner rebate will be applied to only one property per pensioner or pensioner and spouse.
9. The rebate can only be granted for one property per pensioner, namely the property that the pensioner actually lives in.

Pensioners from 70 years onwards

You can qualify for a 100% rebate for rates on up to the first R 2m value of your property, if you are 70 years and older. You will pay rates on any value above R 2m at 100%. But you must also meet the following criteria:

1. The pensioner to whom the rebate is granted, and who is an owner of that property, must personally occupy the property.
2. The rebate only applies to the following types of properties:
 - Residential properties;
 - farm properties used for residential purposes;
 - and smallholdings used for residential purposes.

3. A pensioner rebate will be applied to only one property per pensioner or pensioner and spouse.
4. The rebate can only be granted for one property per pensioner, namely the property that the pensioner actually lives in.

5. Proof of income for current year or SASSA card (certified).
6. A bank statement for the last three months (bank stamped).
7. SARS income tax certificate.
8. A Copy of the municipal statement.

Owners dependent on pensions due to injury on duty

This category applies to property owners having become dependent on pensions due to an injury on duty.

The conditions for qualifying for such a pensioner rebate is as follows:

1. The residential property must consist of one dwelling. Where there is more than one dwelling and the other dwellings can be rented out the pensioner would not qualify for the rebate;
2. The pensioner must have been injured on duty serving in one of the following services:
 - The South African National Defence Force;
 - The South African Police Service
 - Emergency services; or
 - The Johannesburg Metropolitan Police.
3. The owner must own and occupy the property
4. The market value threshold is R1.5 million. Rates will be levied on the market value in excess of R1.5 million.

APPLICATION PROCESS

To apply for a pensioner's rebate, the applicant must complete and submit a pensioner's rebate form, relevant to their status, and attach all the relevant documentation. For the current financial year, which runs from 1 July 2022 to 30 June 2023, forms are available from customer service centers, the City's website (https://www.joburg.org.za/services_/Pages/City%20Services/Rebates/Pensioner-rebates.aspx) or can be requested via email by sending a request to a form via email by sending a request to rebate@joburg.org.za.

FORMS FOR THE YEAR STARTING 1 JULY 2023, AND RUNNING UNTIL 30 JUNE 2024.

Persons who want to apply will need to present and attach the following documentation and information:

60 – 69 years old:

1. A certified application pensioner rebate application form signed by a commissioner of oaths.
2. A certified copy of your South African Identity Document.
3. A certified copy of your pension card (back and front) or SASSA card.
4. Proof of income for the prior year (SARS assessment) or SASSA card (certified).

70 years or older

You will only need to submit a certified copy of your Identity Document, but your forms must still be signed by a commissioner of oaths.

Your application forms can be submitted as follows:

1. At your nearest Customer Services Centre.
2. E-mailed to rebate@joburg.org.za
3. Mailed to: Rates and taxes (Rebates) P.O BOX 5000, Johannesburg 2000.

Pensioners due to injury on duty

1. A certified pensioner rebate application form signed by a commissioner of oaths;
2. Confirmation from the employer that the pensioner was injured on duty and due to the injuries, he or she can no longer serve in any capacity;
3. Medical records that confirms the injuries;
4. Proof of current income; and
5. Where the pensioner is married, his or her spouse's proof of income.

WHAT HAPPENS ONCE MY PENSIONER'S REBATE IS APPROVED?

On approval of the application for a pensioner's rebate, the abovementioned rebates will be applicable. A discount on monthly rates payable as per the rules. The rebate only applies from the date of your application onwards – you cannot get a discount for past months before you submitted your application.

WHEN CAN I APPLY?

Ideally, you want to apply in advance of the financial year that you are making the application for so that your documents are already filed by the time that the year starts. The financial year at COJ runs from 1 July to 30 June of every subsequent year.

This will ensure that you get the maximum benefit of your application, and that your rebate applies from the first day of the financial period in question.

If you apply late (i.e., after the start of the financial year), your rebate will kick in from the date of application onwards. The discount cannot be backdated to a date before you filed your application.

RENEWING A PENSIONER'S REBATE APPLICATION

Once you have been approved, your approval status will endure until the time that the City indicates you must renew. This, of course, is very confusing, because there is no set date and you need to keep a close eye on publications in the media and on the City's website and social media about the issue.

In the previous general valuation roll season, COJ indicated that pensioners who had have pensioner status will lose their status at the end of the valuation roll (the 2018 general valuation roll), which closed on **30 June 2023**. This means that if you want to be regarded as a pensioner after **1 July 2023**, you will need to make a new application and be approved afresh.

The City has indicated that it will accept applications for pensioners rebates for the year starting **1 July 2023** in **April 2023** (i.e., next month). An extract from the City's website, taken at: https://www.joburg.org.za/services_/Pages/City%20Services/Rebates/Pensioner-rebates.aspx on 23 March 2023, indicates the following:

Renewal of the pensioner rebate

The City of Johannesburg wishes to inform its pensioners who currently have a pensioner rebate on property rates, that the period of renewing the rebate has been extended from 30 June 2022 to 30 June 2023. This is due to the extension of the general valuation roll 2018 granted by the MEC for local government. The pensioner rebate is therefore extended by a year in line with the extension of the general valuation roll which is valid until 30 June 2023 (GV2018-2023). This means that all existing pensioner rebates are valid until 30 June 2023.

The City wishes to advise pensioners that the existing pensioner rebate must be renewed before the beginning of the new valuation roll which is 01 July 2023. All pensioner rebate renewal applications may be sent to the City from April 2023.

The update pensioner rebate application forms is available from the City's walk-in centers or from ratescomments@joburg.org.za or downloaded from the City's website www.joburg.org.za.

The pensioner rebate application forms must be submitted to the nearest walk-in centre and a reference number must be obtained.

NB: All residents who become pensioners and are eligible for a pensioner rebate may submit a 'new' application at any time subject to the conditions set out in the City of Joburg rates policy.

CONCLUSION

We highly encourage pensioners who qualify to make use of this opportunity. Times are tough, and even a few rands could make all the difference.

For more information visit the City's website at: https://www.joburg.org.za/services_/Pages/City%20Services/Rebates/Pensioner-rebates.aspx or contact us



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