

# ETHEKWINI MUNICIPALITY

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Date : 01 May 2009

## To Whom It May Concern:

We would like to bring to your attention the portions of the eThekweni Municipality's Credit Control and Debt Collection Policy duly adopted by Council, which relate to Revenue Clearance Certificates :

### REVENUE CLEARANCE CERTIFICATES

Subject to Sections 118(1) and (1A) of the Local Government: Municipal Systems Act 32 of 2000, the following shall apply to the issue of a Revenue Clearance Certificate for the purpose of effecting transfer of a property to a new owner.

#### Assessments

Application shall be made by the conveyancer, in the prescribed format.

- a Copies of all the accounts must accompany the application. If the relevant information is not provided, the application will be returned to the conveyancer.
- b The assessment shall remain valid for a period of 30 days. If payment has not been received within this period, a re-assessment may be required and payment of a further assessment fee will apply.
- c Amounts raised on the Supplementary Valuation Roll prior to the effective date of that roll, will be billed for the purpose of the assessment. The seller shall waive his right to be billed on the effective date of such roll.
- d The onus rests with the seller to ensure that on new sub-divisions, the debts on the parent property are fully paid.
- e Discrepancies in respect of the above may result in delays in issuing of a clearance certificate, and in addition may result in levying of additional backdated rates and / or penalties and / or service charges.
- f Any amounts paid shall be appropriated to the oldest debt first.

#### Clearance Certificates – payments, refunds and validity

- a Payment on the assessment must be made in cash or by irrevocable bank guaranteed cheque, or an Attorney's Trust cheque.
- b There shall be no refunds on the cancellation of a sale.
- c The Certificate shall be valid for a period of 60 days from date of issue.

Consequently, from 1 July 2009 onwards Council will not accept Bank Guarantees and letters of undertaking for the issue of Revenue Clearance Certificates.

Yours faithfully,

Krish Kumar (Deputy City Manager-Treasury)