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## **Introduction**

The City of Johannesburg's ("COJ") 2018 Supplementary 4 General Valuation Roll ("2018 Supplementary 4 GV") was released for public inspection and comment on 11 May 2022. It will remain open for inspection and objection until 24 June 2022. The details of the release of the roll are available here: <https://eservices.joburg.org.za/Pages/GeneralValuations.aspx>.

The roll itself is available for inspection electronically on COJ's website at <http://web1.joburg.org.za/LIS/DataSearch.nsf/frmSearch?OpenForm>.

It is the responsibility of every property owner to check the municipal property valuation and categorisation ascribed to their respective properties and if the valuation is not in line with market value, or the categorisation is inappropriate, to submit an objection before the closure of the objection period.

Failure to do this will result in the value and categorisation ascribed to your property potentially pertaining for the balance of the duration of 2018 General Valuation Roll (which may end on 30 June 2022 or 30 June 2023) you will pay rates based on the incorrect property valuation and/or categorisation, unless you object outside of the prescribed time periods in terms of section 78 of the relevant Act (more on this below).

## **How do Property Rolls Work?**

Property valuation rolls are quite complicated. Below is a brief explanation of how valuations and valuation rolls work.

## **What are my valuation and categorisation for my property?**

Every property is supposed to have a municipal valuation ascribed to it by the municipal valuer. You should see a value, represented in Rands, on the top right hand corner of your statement. This is the property valuation that COJ has ascribed to your property for the purposes of the current 2018 GV (which ends 30 June 2022 or 2023).

Similarly, every property is meant to have a rating categorisation ascribed to it by the municipal valuer. The category is chosen by the municipal valuer from a list of categories that are set out in the CoJ's Rates Policy, and for each category there is a corresponding tariff (a rate in the rand price). For example, business properties pay two point five to three times more than residential properties, and vacant and "illegal use" properties pay more than business properties, because their tariffs are higher.

### **I don't get statements. How do I check my current 2018 GV valuation and categorisation?**

If you do not receive any statements, you will have to phone the COJ on 011 375 5555 and quote your account number and name, to determine what your municipal valuation and categorisation are. If you do know your pin and account number but are not receiving statements, you can phone and ask for this information. You can also register on the COJ's website to receive your statements electronically, at the COJ e-services website: <https://eservices.joburg.org.za/>.

### **Why do the valuation statements and categorisation matter?**

The amount that the COJ charges you for rates each month, is based on your municipal valuation multiplied by the tariff (rate in the rand price) that applies to the categorisation that you have been placed into. If the valuation is too high, you will pay too much for rates. If the categorisation is wrong, you will pay the incorrect amount for rates. For example, if your property is residential in nature but you are categorised as business, you will pay two point five to three times the amount that a residential property with the same municipal valuation that is categorised as 'residential' will pay.

The municipal valuation should be "market value". Market value is explained below. For the 2018 Supplementary 4 Valuation Roll, the date at which your property should be valued, is 1 July 2017.

### **What is a valuation roll and where do I find it?**

This is a database in which the COJ stores the municipal valuations of all properties recorded on that particular roll. Every property in Johannesburg should (hypothetically) be on a general roll, but because properties are continuously coming into existence and ceasing to exist, new rolls are created (these are referred to as supplementary rolls) to include any properties that have not been previously recorded on another, prior, general roll.

Each general roll is re-published once every few years (4 to 5 years in Johannesburg), and the property values updated at the same time. Depending on a number of factors, your property value may have stayed the same, or increased, or decreased, from the value contained on the last roll. The information on the valuation roll is used to calculate your rates and taxes each month.

Most valuation rolls are posted on the COJ's website. If you cannot access the COJ 2018 Supplementary 4 Roll online for any reason, you can contact the City of Johannesburg's valuations department on 011 407 6111 or 011 407 6597 for assistance.

### **The proposed 2018 Supplementary 4 valuation and categorisation of your property**

The COJ should give you notice if your property is appearing on a roll that is being published in the near future (including the 2018 Supplementary 4 Roll). This notice should tell you what your current municipal valuation is, what your revised municipal valuation is, the name of the roll that your property is now appearing on, the existing and proposed categorizations, and where you can inspect the contents of such roll. These rolls contain only municipal valuations, categorisations and the other pieces of information listed above; they do not contain reasons for the valuations and categorisations.

If you have received notice that your property is on a roll that is soon to be published, you should determine immediately whether you are satisfied with the municipal valuation and categorisation accorded to your property. If you are not happy, you should to object. See the section below on objecting for more information.

\*Note that the COJ's failure to send you a notice telling you that your property is appearing on a roll, does not exempt you as the property owner of your obligation in law to check the roll and see whether you are happy with your property details as they appear thereon.

### **What is market value and how can I determine what it is?**

'Market value' is generally explained as the price that a willing buyer would pay a willing seller on the open market for a property. However, there are a number of different methods that can be used to calculate market value. The most commonly used methods include the comparative sales method, the income yield method, and the depreciated cost method. The nature of these calculations are complex, and are usually done by professional valuers at a cost.

However, you can ask your local estate agent for an estimation as to the market value of your property, based on comparative sales and the agent's experience of what the property would sell for in the area concerned. Agents don't charge for providing these estimations.

You can also extract "automated valuation reports" from a number of different software packages designed to estimate market value, such as Windeed. However, in some instances there will not be enough information available on the system to arrive at an estimated valuation, and because these reports are automated and there is no human interaction involved whatsoever, any subjective features of a property that would enhance or negatively affect its value are not taken into account. This can render the accuracy of these kinds of valuations less effective than valuers' or agents' valuations.

The general principle is that the higher the market value of the property, the more likely you

will be to need to involve a professional valuer (at a cost) to assist you. The costs of incorrectly estimating your own property value can be significant, because of the time that it takes to resolve disputes regarding the valuation and the charges and interest that are billed while that dispute is pending, as well as the potential costs involved if it becomes necessary to involve attorneys.

Valuers can also advise you of the most appropriate rating categorisation for your property, but in a complex dispute you may need to approach an attorney that specialises in this type of law, within the jurisdiction of the COJ, for assistance.

### **What do I do if my property valuation is not in line with the market value or if my categorisation is incorrect?**

If you are of the opinion that your municipal property value is higher than market value or your rating categorisation is inappropriate, you can lodge an objection with the COJ against the information contained on the 2018 Supplementary 4 Roll, giving reasons for same. The COJ will then assess your objection, and notify you of the outcome of same. If the COJ finds that your objection is valid, it will revalue and/or re-categorise your property in line with your objection. If it finds that your objection is not valid, it will advise you of same and your property valuation/categorisation will remain unchanged.

If you are able to access the 2018 Supplementary 4 Roll online, and your property appears on it when searching on the COJ's website, you will be able to lodge an objection electronically through the website. If this option is not available to you, you can obtain copies of the objection forms from the COJ's Valuations Department and submit a hard copy. It is important to note that your objection must be completed on the forms that the COJ has for this purpose.

### **What happens if my objection is rejected?**

You may appeal to the Valuations Appeal Board within a certain, prescribed time period, usually 30 days from date of receipt of notification of the outcome of the objection. The forms

for appeals are available at the COJ from its Valuations Department, and should also be available on the COJ website.

The Valuations Appeal Board is only convened once every few months, but at the next meeting your appeal will be considered and either accepted or rejected by the Board. You will be given written notification of the outcome of the appeal.

### **What happens if the Appeals Board rejects my appeal?**

If the Appeals Board rejects your appeal and you are of the opinion that your appeal should have succeeded, you will need to approach an attorney for assistance to take the matter further legally. One possible option is to approach a court to review the decision of the Appeals Board.

### **Can I object or appeal outside of the prescribed time periods?**

If there has been an error in the calculating of your valuation or your category is wrong, you can still approach the COJ's Valuations Department to rectify this error outside of the prescribed time periods for objections in terms of section 78 of the relevant Act. However, this is a lengthy process, and slightly different rules apply. More information on this process can be obtained by emailing [gladwin@schindlers.co.za](mailto:gladwin@schindlers.co.za) or [gohl@schindlers.co.za](mailto:gohl@schindlers.co.za)



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