

City of Johannesburg: Understanding COJ Bills

1. Account holder details and property description

Check that you, as the account holder, are being billed correctly for the property in question (ie and not, for example, for your neighbour's property). If any of this information is not correct, log a query for this information to be updated.

Check that you are being billed on the correct account number and that you are not receiving duplicate accounts for the same services at the same property (with different account numbers).

2. Services Charged for

Check that you are being billed for all of the services that the City supplies to your property. This will differ depending on the type of property and the area in which it is located. For example, the owners of sectional title units are rarely billed for electricity and water by the City because they are most often billed for same by the Body Corporate. Certain property owners will not be billed for electricity because they have pre-paid meters. Certain owners of commercial property will not be billed for refuse collection because they employ private contractors to perform this service.

3. Deposits

If the City has not recorded your deposit at all, or has recorded it incorrectly, log a query with the City to amend its records.

4. Property Valuation

The higher your municipal property rates value, the more rates you pay. If the municipal valuation of your property is higher than market value, you may object to the valuation when your property is on a Valuation Roll and request that the City re-value the property. However, there are strict time periods as to when such an objection can be lodged. Contact an attorney for more information on when the time period for your property will expire.

5. Rates Tariff

Your property will be categorized by the City for rating purposes in terms of the City's current Rates Policy, normally (but not always) according to the property's zoning. This classification will influence how much you are charged for property rates. For example, a residential property would normally be classified as residential, and an office block as commercial. Assuming the office block and residential property have the same municipal value, the rates charged to the office block on the commercial tariff will be roughly three times the amount charged to the residential property.

6. Rebates

The City's current Rates Policy provides for certain rebates to be applied to certain classes of properties and/or property owners. For example, all owners of residential property are entitled to a rebate on property rates on the first R 150,000 of the property's municipal valuation. Owners of residential sectional title units are entitled to a further 20% discount on property rates. Upon the City approving an

application in respect of same, owners of properties that are classified as mixed use (also known as multiple purpose) are entitled to be charged property rates on the mixed use tariff (which is a lot lower than the commercial tariff, and is largely equivalent to the residential tariff). Pensioners and indigent persons are entitled to apply for other rebates.

7. Water and electricity charges

Residential properties are normally billed on a step tariff for water consumption. This means that the more water you use, the more you pay for each unit of water. And they get 6 free kl per household per 30.4 days, for free. Commercial properties are also usually charged on a step tariff, but at a much higher rate than commercial properties. The amounts that the City is entitled to charge per unit consumed, at the different steps, is set out in the City's Water Tariff for the current financial year.

8. Refuse removal (bin) charges

Check that you are being billed the correct amount for the correct number of bins that are removed on a weekly basis. Residential properties are billed per bin collected on a weekly basis, at a flat rate set out in the City's Refuse Tariff for the current financial year.

9. Sewerage/sanitation charges

Residential sanitation charges are calculated according to stand size, as per the City's current Water and Sanitation Tariff. Charges for commercial sanitation are calculated as a set percentage of the total consumption charge for water. If you suspect that you are being overcharged, log a query with the City for a refund of the amounts overcharged and a change in the way that you are billed going forward (to prevent further overcharges).

10. VAT

The City is entitled to charge VAT on services s(electricity and water, refuse removal and sanitation) but not on property rates. This is because property rates do not qualify as VATable goods and services for the purposes of the Act as aforesaid.

11. Sundry charges

These are miscellaneous charges billed to commercial properties only, usually at a flat rate of 2%, of the total municipal bill for rates and services and VAT thereon. Residential properties should not be charged this sundry fee.

12. Double billing

It is important to check the periods in respect of which you are billed for municipal services (including but not limited to water) and property rates, to ensure that you are not being billed twice in the same period. This happens most often when the City is unable to take regular and accurate (actual meter) readings, and bills a consumer based on estimate (interim) readings for months at a time. When the City eventually does take a reading it should adjust the consumer's account accordingly, by passing a credit on the consumer's account in respect of interim charges overbilled, or by charging the balance of consumption over and above the estimates, to bring the charges on the account up to date with the current, actual readings.

13. Reversal of estimated charges

In certain circumstances, the City is obliged (as part of this reconciliation) to reverse certain amounts billed to the consumer (usually but not always estimated readings). Often the City adjusts the consumer's account according to the new actual readings, but omits to reverse certain estimated readings, resulting in the consumer being double billed (once in terms of actual readings and once in terms of interim / estimated readings) for the same consumption.

14. Interest

The City is entitled to charge interest at a rate determined in the Council minutes on all amounts outstanding after due date. The due date for payment is stipulated on the invoice (on the bottom right hand corner). **A consumer is still liable to make payment to the City of all amounts invoiced even if the consumer did not receive a municipal invoice.** It is thus imperative that the consumer follow up with the City on a monthly basis, a few days before payment of their municipal invoice would otherwise have fallen due, to determine how much the consumer must pay for that month, if the consumer has not received a municipal bill from the City.

14. Other Miscellaneous charges

Pre-termination notices: If your account is in arrears and a notice has been delivered to you, the City is entitled to charge for it at the rate set out in its tariffs.

District Improvement levies and City cleaning fee: These charges should only be billed to commercial properties in designated areas of the City, which are designated as in need of cleaning and are subject to this particular fee.

Legal fees: The City is only allowed to add legal fees to your municipal account once it has taken judgment against you and the bill in respect of the judgment has been taxed.

Dis/Re-connection: As long as these are charged for in accordance with the tariff, they are lawful.