



Van Deventer & Campher

PROKUREURS ■ NOTARISSE ■ AKTEVERVAARDIGERS
BOEDELBEREDDERAARS ■ TAKSATEURS

ATTORNEYS ■ NOTARIES ■ CONVEYANCERS
ADMINISTRATORS OF ESTATES ■ APPRAISERS

48 Walter Sisulu Street, P.O. Box 2125, Middelburg, 1050, Mpumalanga

Tel : 013 282 4675

Fax : 013 282 4703

www.vcampher.co.za

e-mail: info@vcampher.co.za

LOCAL MUNICIPALITY REFUNDS: INFORMATION SHEET

We confirm that once your property is registered in the Deeds Office, the municipality will be notified of the change in ownership.

The municipality now has to provide the Seller with the refund due to him, i.e. the amount overpaid to the municipality, as the new owner is responsible for payment of the rates and taxes account on the property from date of registration.

However, we find that many clients find this process tedious and tiring, and we hope that providing you with this information sheet can ease the pains of this process.

CLEARANCE CERTIFICATE:

- A clearance certificate is required by the Deeds Office in order to transfer any property to a new owner. This certificate is issued by the local authority and serves to confirm that the rates and taxes on the property, as well as water, electricity and sewerage are paid up to date and also paid in advance –usually for a period of three to six months.
- Thus council issue clearance figures to the transferring attorneys, which is paid by the transferring attorneys on behalf of the seller, in advance, in order for the municipality to issue the clearance certificate.
- The clearance certificate is valid for a period of 60 (sixty) days after date of issue and therefore registration of the property has to take place before the certificate expires.

ON REGISTRATION:

- The transferring attorneys informs the municipality that registration has taken place and provide them with the new owner's details, where after the municipality must reconcile their account, and provide the seller with the amount overpaid by him – the refund.

- Please note that the municipality will not start with the process of reconciling their accounts before the clearance certificate has expired – i.e. the date that the certificate is valid, has lapsed.
- The municipality will after reconciling their account, send an instruction to their financial department to refund the seller via the transferring attorneys.
- Please note that this process can take up to 4 – 12 months, depending on the municipality involved.
- It is not part of the transferring attorney’s scope of work to follow up payment of the refund, however, once the refund has been received by the transferring attorneys, it will be paid to the seller as soon as the money is cleared in their trust account. Therefore always make sure that you provide the transferring attorneys with your contact details, should it change after registration.

WHAT CAN THE SELLER AND BUYER DO TO EXPEDITE THE PROCESS?

- **The seller must close his account at the municipality as soon as possible after registration. See document “Notice of Termination of Services” herewith.**
- Before date of occupation or date of registration, whichever is the soonest, the purchaser must pay the deposit at the municipal offices in order to connect the water and electricity in their name.
- When attending the municipal offices, ensure that you provide them with the registration letter (transfer attorneys will provide you with this letter/email) as well as your original identity document.
- Should you encounter problems with the municipality in claiming your refund, we will gladly assist you herein at payment of a fee.
- List of documents to take for ease of reference when attending the municipal offices:
 - ✓ Identity document
 - ✓ Registration letter/email (received from the attorneys)
 - ✓ Banking details and proof of such (i.e. Bank statement/letter or cancelled cheque)
 - ✓ Copy of the offer to purchase
 - ✓ Notice of Termination of Services
 - ✓ Deposit payable (purchaser)