



DEBT REHABILITATION PROGRAM THIRD PHASE

MARCH - JUNE 2022

FREQUENTLY ASKED QUESTIONS (FAQ's)

What is Joburg Debt Rehabilitation Program?

The Joburg Debt Rehabilitation Program aims to assist defaulting customers to bring their outstanding municipal accounts up to date. Qualifying customers will receive a 50% debt write-off, with a further write-off on the outstanding debt over a three-year period - if they comply with all the conditions of the program.

Who may apply for this program?

Residential customers, small businesses, faith-based organisations or places of worship, and non-profit organisations may apply on condition that they comply with the qualifying criteria.

Can residential customers from Soweto who receive electricity from Eskom also apply?

Yes, because the program is not just about one service (i.e., electricity) but caters for all five services billed on the municipal account.

What are the qualifying criteria?

- The write-off is applicable to residential, small businesses, faith-based organisations or places of worship, and non-profit organisations' account holders.
- The market value of the property and all properties owned by the applicant must not exceed R1,5 million (excluding business, churches, and non-profit organizations customers).
- The account holder's account balance must be in arrears for more than 90 days as of 28th February 2022.
- The combined gross income from all activities of the account holder/s and spouse must be between R4 750 and R22 000 per month.
- Where the monthly gross income from both the residential account holder/s is more than R22 000.00, only a percentage of the debt above 90 days shall be written off on condition that the account holder/s settles that account in full. The scale to be used will be:
 - **Between R22 000 to R30 000 = 30% write-off of the debt above 90 days shall be offered; all interest and penalty charges shall be reversed**
 - **Between R30 001 to R40 000 = 20% write-off of the debt above 90 days will be offered; all interest and penalty charges shall be reversed**
 - **Between R40 001 to R50 000 = 10% write-off of the debt above 90 days will be offered; all interest and penalty charges shall be reversed**
 - **Above R50 001 = all sundry charges (i.e., disconnection fees and interest charges) shall be reversed**

Small businesses, places of worship and non-profit organization will be required to provide the latest audited annual financial statements with turnover not exceeding R3 000 000.

Account must be kept update to date for twelve months from date of initial write-off.