

Con Court rules in favour of property owners – historical debt is just that, history

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In March of this year we reported on a David-and-Goliath battle, the so-called historical debt saga between the municipalities of Tshwane and Ekurhuleni and their clients.

In November 2016 the North Gauteng High Court held that these municipalities have been unlawful in their conduct and declared that it is constitutionally invalid for these municipalities to hold the new owner of a property liable for the previous owner's municipal debts on that property – a ruling that was challenged by the affected municipalities.

Today the Constitutional Court upheld the findings of November 2016 in its ruling that new homeowners cannot be held responsible for historical debt accumulated by previous owners.

As a homeowner who might have made payment for historical debt that is not yours prior to this ruling, you might be asking “what about my money?”

Peter Livanos, MD of Municipal Debt Specialist, who was one of the first people to approach the courts to enforce the public's rights for the correct interpretation of Section 118 of the

Municipal Systems Act, previously said the following on this matter: “We have no doubt that after the Con Court hands down its judgment, all municipalities will be obliged to refund the public.”

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