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New homeowners not responsible for historical municipal debt

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New homeowners cannot be held liable for debt accumulated by previous owners.



That's according to a Constitutional Court ruling on Tuesday.

The matter was brought by municipalities, including Tshwane, Ekurhuleni and eThekweni.

The ConCourt upheld a November 2016 High Court ruling in favour of new property owners.

Property owners had been denied municipal services until the debts had been paid.

Am I liable for previous homeowner's municipal debt?

This ruling will provide much relief to new homeowners who have been held accountable for municipal debt, dating as far back as 20 years.

The applicants complained they were left in the dark without electricity as the previous owners failed to pay for their municipal services.

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However, the municipalities were adamant the new owners were responsible for the historical municipal debt.

In both the 2016 High Court case as well as this one - the Minister of Cooperative Governance and Traditional Affairs presented arguments in support of the municipalities.

The court has now ordered that the municipalities and the minister pay the legal costs of the applications and the two counsel.

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