What clearance certificates have to be obtained where a farm is sold and transferred?

I am selling my Farm. There is an Eskom account as well as an account with the Department of Water and Sanitation for the farm. Do I have to get a clearance certificate from Eskom as well as from the Department in respect of these accounts? What about the municipality?

In terms of the Local Government: Municipal Systems Act, 2000 a clearance certificate has to be obtained from the relevant municipality for each transfer of a fixed property including for the transfer of agricultural land. This rule applies even if the relevant landowner is not paying any taxes to the municipality.

No clearance certificates are, however, required from neither Eskom nor the Department of Water and Sanitation. From the purchaser's side, it would, however, be prudent to ensure that the Eskom account and the account from the Department are fully paid on the date of transfer of the property. This will ensure that there is no interruption of power or water supply to the property.

All three accounts, the municipal, Eskom and the water account should obviously be transferred to the purchaser after the transfer of the property. This will, amongst others, ensure that the seller is not, after the transfer date, held liable for the consumption of the purchaser before the transfer date.

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