

**PERMISSIVE TAX EXEMPTIONS****FIN.31****POLICY**

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*CAO Approval*  
*CAO Approval*  
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**Legislative Basis**

Section 224 of the *Community Charter*, provides that on or before October 31 in any given year, Council may, by bylaw adopted by 2/3 of its members, exempt land or improvements, or both, from taxation for the next calendar year.

**Purpose**

The purpose of this policy is to identify the basis on which applications for tax exemptions pursuant to section 224 of the *Community Charter* (permissive tax exemptions) are assessed to ensure that a broad range of community organizations in Mission are dealt with consistently and receive equal treatment and consideration for such tax exemptions.

The following land and/or improvements may be considered for tax exemptions under section 224 of the *Community Charter*.

- (a) land or improvements that
  - (i) are owned or held by a charitable, philanthropic or other not for profit corporation, and
  - (ii) the council considers are used for a purpose that is directly related to the purposes of the corporation;
- (b) land or improvements that
  - (i) are owned or held by a municipality, regional district or other local authority, and
  - (ii) the council considers are used for a purpose of the local authority;
- (c) land or improvements that the council considers would otherwise qualify for exemption under section 220 [general statutory exemptions] were it not for a secondary use;
- (d) the interest of a public authority, local authority or any other corporation or organization in land or improvements that are used or occupied by the

- corporation or organization if
- (i) the land or improvements are owned by a public authority or local authority, and
  - (ii) the land or improvements are used by the corporation or organization for a purpose in relation to which an exemption under this Division or Division 6 of this Part would apply or could be provided if the land or improvements were owned by that corporation or organization;
- (e) the interest of a public authority, local authority or any other corporation or organization in land or improvements that are used or occupied by the corporation or organization if
- (i) the land or improvements are owned by a person who is providing a municipal service under a partnering agreement,
  - (ii) an exemption under section 225 [partnering and other special tax exemption authority] would be available for the land or improvements in relation to the partnering agreement if they were used in relation to the service,
  - (iii) the partnering agreement expressly contemplates that the council may provide an exemption under this provision, and
  - (iv) the land or improvements are used by the corporation or organization for a purpose in relation to which an exemption under this Division or Division 6 of this Part would apply or could be provided if the land or improvements were owned by that corporation or organization;
- (f) in relation to property that is exempt under section 220 (1) (h) [buildings for public worship],
- (i) an area of land surrounding the exempt building,
  - (ii) a hall that the council considers is necessary to the exempt building and the land on which the hall stands, and
  - (iii) an area of land surrounding a hall that is exempt under subparagraph (ii);
- (g) land or improvements used or occupied by a religious organization, as tenant or licensee, for the purpose of public worship or for the purposes of a hall that the council considers is necessary to land or improvements so used or occupied;
- (h) in relation to property that is exempt under section 220 (1) (i) [seniors' homes], (j) [hospitals] or (l) [private schools], any area of land surrounding the exempt building;
- (i) land or improvements owned or held by an athletic or service club or association and used as a public park or recreation ground or for public athletic or recreational purposes;
- (j) land or improvements owned or held by a person or organization and operated as a private hospital licensed under the *Hospital Act* or as a licensed community care facility, or registered assisted living residence, under the *Community Charter*.

Permissive tax exemptions for "eligible riparian property" pursuant to section 225 of the *Community Charter* will not be approved.

## Eligibility

A Mission based community group in the arts, cultural, recreational or social services fields may apply for a permissive tax exemption for the above land and/or improvements if:

- a. it is incorporated, either under the *Societies Act of B.C.* or under any federal act as a charitable organization;
- b. it has demonstrated sound financial and administrative management;
- c. there is demonstrated financial need;
- d. it holds land and/or improvements outlined in section 224 of the Community Charter;
- e. it complies with all applicable municipal legislation;
- f. the services and activities provided by the organization are available to, and used primarily by, residents of Mission;
- g. funding would benefit the residents of the District of Mission.

## Applications

All requests for permissive tax exemptions shall be directed to the Director of Corporate Administration on or before August 1st of each year, or such other date as Council may direct, and shall be submitted on the Permissive Taxation Exemption Application form together with the following information and documentation:

- a. a copy of the organization's incorporation documents setting out its objectives and goals;
- b. the service the organization provides to the community;
- c. the benefits to the community from the service the organization provides;
- d. the degree of other community support;
- e. a detailed proposed budget for the current year, detailing expenditures and revenues, including a list of all other grants and donations; and
- f. financial statements from the immediately preceding fiscal year, signed by two directors of the society.

Incomplete applications will be returned. Returned submissions which are not resubmitted by the advertised deadline in corrected form will not be considered for funding. It is strongly suggested, therefore, that submissions be tendered early, and that the applicant be encouraged to consult with the Director of Corporate Administration or Deputy Director of Corporate Administration for assistance prior to submitting an application.

By way of example only, applications which are not signed, do not evidence an incorporation number, or do not have the proper financial statements attached, will be rejected.

## Criteria

Applications will be reviewed by Council having regard to the extent to which the organization positively contributes to the Mission arts, cultural, recreation and social services fields and:

- a. has a large number of volunteers and a broad base of community support;
- b. offers activities/programs which are accessible to a large portion of the community's residents;
- c. the activities are consistent with the aims, objectives and standards of the District; and
- d. fulfills some basic need or otherwise improves the quality of life for Mission residents and are deemed by Council to be complementary extensions to municipal services.

All completed applications for permissive tax exemptions will be forwarded to Council for review. Incomplete applications will not be forwarded for consideration.

The term of a permissive tax exemption shall be for up to three years, except in the case of a leased property, then term of the exemption shall be for one year. Applicants are advised that exemptions may not be continued from year to year.

If the organization leases the property for which an exemption is requested, that organization must provide full details of the space leased, including the size, purpose and use of the leased space. The organization must also contact the British Columbia Assessment Authority to ensure that all requirements of the Authority have been met.