



## POLICY AND PROCEDURE MANUAL

<b>Category:</b> Finance	<b>Number:</b> FIN.49	<b>Name:</b> Permissive Tax Exemption Policy	
<b>Type:</b>	<b>Authority:</b>	<b>Approved By:</b>	
<input checked="" type="checkbox"/> Policy <input type="checkbox"/> Procedure	<input checked="" type="checkbox"/> Council <input type="checkbox"/> Administrative	<input checked="" type="checkbox"/> Council <input type="checkbox"/> Senior Management Team <input type="checkbox"/> CAO <input type="checkbox"/> Department Head	
<b>Office of Primary Responsibility:</b> Corporate Administration			
<b>Date Adopted:</b> July 6, 2015	<b>Council Resolution No:</b> RC15/366	<b>Date to be Reviewed:</b> January 2016	
<b>Manner Issued:</b> Mail, email and website		<b>Related Policies, Reference:</b> N/A	

### **PREAMBLE:**

The adoption of this policy by Council Resolution includes the repeal of policy number FIN.31.

### **BACKGROUND:**

Municipalities in British Columbia may exempt certain properties from property taxes by passing a bylaw in accordance with Division 7 – Permissive exemptions of the *Community Charter*.

### **PURPOSE:**

A permissive tax exemption is one means for the District of Mission to aid eligible community-minded resources and support their respective function for the overall common good.

### **POLICY:**

#### **1. Process**

- (a) Council will consider applications for permissive tax exemptions annually. Notification will be advertised in the local newspaper and on the District website.
- (b) Applications must be submitted to the District using the prescribed application form, (included within this policy), on or before July 15<sup>th</sup> of each year unless otherwise designated in the annual notification. Staff will review the applications and compile them in a report to Mayor and Council who shall consider the request and make the final decision.
- (c) All applications should be submitted on the prescribed form and should include copies of the following in order to receive optimal consideration:
  - current year’s budget
  - previous year’s annual financial statement
  - annual general meeting minutes, (including manager’s report, if applicable)
  - current site plan for each property

If the property is rented or leased from the owner:

- site drawing for leased/rented portion of the property
- lease/rental agreement

If the property is rented or leased to another person/organization:

- site drawing for leased/rented portion of the property
- lease/rental agreement

- (d) The staff report will highlight relativity to the eligibility criteria.
- (e) All permissive tax exemptions will be reviewed each year by staff to ensure that they continue to qualify for an exemption. Updates of information may be required upon request of the District.

## **2. Eligibility Criteria**

- (a) Subject Property must be one of the following:
  - i. Land and/or improvements owned, or in specific situations, leased, or;
  - ii. Land and/or improvements ancillary to a statutory exemption under section 220 of the *Community Charter*.
- (b) Nature of organization must be:
  - i. Non-profit organization;
  - ii. Charitable/philanthropic organization;
  - iii. Athletic or Service Club/Associations;
  - iv. Partner of the municipality by agreement under section 225 of the *Community Charter*;
  - v. Other local authority (e.g. Regional District, diking authority, etc.); or
  - vi. Organization eligible under statutorily exempt under section 220 of the *Community Charter* (e.g. place of public worship).
- (c) No permissive tax exemptions will be considered for organizations or properties providing housing services considered to be the responsibility/authority of senior levels of government such as care homes and private health care facilities, unless otherwise designated by municipal council.
- (d) The applicant organization's use of the land/improvements must benefit the community in one or more of the following ways:
  - i. Provides recreational facilities for public use;
  - ii. Provides recreation programs to the public;
  - iii. Provides programs to and/or facilities used by youth, seniors or other special needs groups;
  - iv. Offers cultural or educational programs to the public which promote community spirit, cohesiveness and/or tolerance; or
  - v. Offers services to the public in formal partnership with the municipality.
- (e) The exemptions can only be considered after a building is constructed, given final occupancy approval by the District, is occupied and operationally compliant with all licensing and permits.
- (f) There is no obligation for Council to grant a permissive tax exemption.

## **3. Duration of Exemption**

Permissive tax exemptions will normally be provided for a period of up to four years. In the case of an organization that is leasing land/improvements from the owner of the property, the duration of the exemption is for one year only. Should the eligibility criteria

change during the term of the permissive tax exemption the organization must inform the District immediately and this may result in the property becoming taxable in the next calendar year.

**RECORD OF AMENDMENTS/REVIEW**

<u>Policy #</u>	<u>Date Adopted</u>	<u>Date Reviewed</u>	<u>Amended (Y/N)</u>	<u>Date Reissued</u>	<u>Authority (Resolution #)</u>