

Department:	<u>Finance</u>	Policy No.:	<u>FIN-002</u>
Sub-department:	<u></u>	Created By:	<u>Nikki Gilmore</u>
Approved By:	<u>Council</u>	Amended By:	<u>Council</u>
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POLICY

The Village of Pemberton recognizes the significant value of organizations and groups in our community who provide worthwhile programs and services to our residents. A permissive tax exemption, provided under Section 224 of the *Community Charter*, is a means for Council to support organizations within the community that further Council's objective to enhance the quality of life while delivering services economically.

POLICY PURPOSE

The purpose of this policy is to ensure that the organizations applying for a permissive tax exemption meet the criteria and that the application process is consistent and meets the goals, policies and general operating principles of the Village.. The sources of Municipal revenue are limited and a request for an exemption must be considered in concert with other needs of the Village. Council will determine the amount of revenue to be foregone by permissive tax exemptions for non-profit organizations. Council at its sole discretion may grant varying percentages of tax exemptions up to 100% of the tax exemption.

Exemptions are not given to services that are otherwise provided on a private or for profit bases. This would provide an unfair competitive advantage and is not permitted as per Section 25 of the *Community Charter*.

Requests for permissive tax exemptions for organizations whose facilities are outside the boundaries of the Village of Pemberton will not be considered.

ELIGIBILITY CRITERIA

Eligibility for exemption should be based on the principal use of the property. To be eligible for a permissive tax exemption, an organization must comply with all of the eligibility criteria outlined below. There is no obligation on the part of Council to grant permissive tax exemptions in any given year. At Council's discretion, any of the following criteria requirements, except those legislated through the *Community Charter*, may be waived.

A property may be eligible for the exemption if the applicant meets all the following criteria:

- a) Is the registered owner of the property, or a tenant under a lease requiring it to pay taxes directly to the Village.
- b) Is a British Columbia registered charity or non-profit Society.

- c) Qualifies for an exemption under the provisions of the *Community Charter* (Part 7, Division 7, Section 224) (other incidental uses would not disqualify the applicant but, if substantial, will reduce the percentage of exemption).
- d) Principal use meets Council's objectives.
- e) Provide benefits and accessibility to the residents of the Village of Pemberton.
- f) Village of Pemberton Residents must be the primary beneficiaries of the organization's services.
- g) Provides a service supporting the social, spiritual, cultural, educational or physical well-being of the community.
- h) Is in compliance with Village policies, plans, bylaws, and regulations (ie. Business licencing, zoning, building, etc.)

Places of Worship must meet the following criteria:

- a) Qualify for an exemption under the provisions of the *Community Charter* (Part 7, Division 7, Section 220 and 224).
- b) The land surrounding the Place of Worship building will be exempt to the extent that the building is sitting on the lot. Empty lots in the proximity of the Place of Worship building will not be exempt.
- c) Vacant land held for future use and/or investment will not be exempt. Property used exclusively for parking unless in direct relationship to the Place of Worship will not be exempt.

PROCEDURE

- Council will consider applications for permissive tax exemption annually.
- The opportunity to apply for permissive tax exemption will be advertised once in the local newspaper and on the Village's website. Applications will be mailed to tax exemption recipients designated in the preceding tax year commencing June 1st of each year.
- Applications must be submitted to the Finance Department, using the prescribed application form, before June 30th of each year.
- The Finance Department will review the applications for completeness and arrange contact with applicants for additional information as necessary.
- Application submissions must include, but are not limited to, the following:
 - Completed application form
 - Copy of financial statements for last three (3) years (except in the case of an exemption being applied for annually in which case only the financial statement of the previous year may be required).
 - Copy of Registered Charity or Non-Profit Information return for previous year
 - Copy of title certificate or lease agreement, as applicable
 - Description of programs/services/benefits delivered from the subject lands/improvements including participant numbers, volunteer hours, fees charged for participation, benefits to the community
 - Description of any 3rd party use of the subject land/improvements including user group names, fees charged, terms of use

- The Finance Department will prepare a Summary Report, the Permissive Tax Exemption bylaws and public notice by the end of August. Public Notice, in accordance with *Community Charter* section 94, must be placed in 2 successive papers prior to adoption of the bylaw. Notice will also be posted on the Village's website.
- A representative from the organization seeking a Permissive Tax Exemption must be in attendance at the Council Meeting at which the Summary Report is being presented to Council. Attendance may also be required at the Council Meeting which the Bylaw is being considered for First, Second and Third Readings.
- The Permissive Tax Exemption bylaws must be adopted and notice given to BC Assessment for those properties receiving exemption prior to October 31st.
- Letters will be mailed to recipients notifying them of their exemption status for the following year.
- Late applicants will be held until the next review cycle.

PERMISSIVE TAX EXEMPTION APPLICATION

Date: _____

GENERAL INFORMATION

Official Name of Organization: _____

Alternate Name (if applicable): _____

Mailing Address: _____

Applicant Name & Position: _____

Email: _____ Business Phone: _____ Cell Phone: _____

Mailing Address (if correspondence needs to go to different address than above): _____

SOCIETY INFORMATION

Society Registration Number: _____ Charity Number: _____

Annual Report filed with the Provincial yes no Date Last Report _____
 Government: _____ Filed: _____

Society Executive Contacts

Title	Name	Email	Phone

LEGAL

Civic Address:	
Roll Number:	PID
Plan:	Block
Lot:	Parcel

The exemption applied for is under Section 224 of the Community Charter and is pursuant to Subsection 2, clause (). Please fill in the relevant clause from Section 224(2) in Appendix A.

Describe the purpose and use of the land and/or buildings:

Does anyone live in the building: No Yes

If yes how many people? _____ What is the square footage of the living area? _____

List all licenses held by your organization (eg. Provincial Licenses – Community Care Facility Act, Hospital Act, Health Act, Liquor Licenses etc.):

USER STATISTICS – AS APPLICABLE

Describe the programs/services/benefits delivered from the subject property.

How is your organization accessible to the public?

List the number of persons that are served by your organization annually:

List the number who are residents of the Village of Pemberton:

APPENDIX A

General authority for permissive exemptions

224 (2) Tax exemptions may be provided under this section for the following:

(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 Care and Assisted Living Act*,

(k) land or improvements for which a grant has been made, after March 31, 1974, under the *Housing Construction (Elderly Citizens) Act* before its repeal.