



Policy Name: Permissive Tax Exemption Policy

TR-49

Date Adopted: February 5, 2018

Motion No. 2018-04-07

Purpose:

Permissive tax exemption is a way for Council to recognize and provide support to non-profit organizations within the District who provide services to its residents that enhance the quality of life (social, recreational, spiritual, cultural) in Tumbler Ridge. The purpose of this policy is to provide fair, consistent treatment and consideration for all applicants.

Legislation:

The *Community Charter* provides that on or before October 31 in any year, Council may by bylaw, exempt land and/or improvements from municipal property taxes for the following year. In addition to the *Community Charter* requirements, those organizations applying for exemptions must comply with the guidelines set out in this policy.

Permissive property tax exemptions are provided under *Community Charter* Sections 224, 225 and 226 for non-profit, philanthropic and charitable organizations. Permissive exemptions provided in Section 224 are at the discretion of Council and are subject to the District of Tumbler Ridge's budgetary restraints. There is **no** obligation for Council to grant a permissive tax exemption.

Eligibility Criteria:

Eligibility for a permissive tax exemption will be in accordance to the *Community Charter* Section 224. Exemptions cannot be granted if the organization does not qualify under the *Community Charter*.

Vacant and underdeveloped parcels owned but not actively being used by a non-profit organization will not be considered for a permissive tax exemption. Parcels that are being used as parking lots by non-profit organizations but not developed to District specifications will not be considered.

Properties that are leased by a non-profit organization who are requesting a permissive tax exemption must attach a copy of the current lease as part of the application.

Eligibility Review:

All organizations are subject to an annual eligibility review to ensure that the property is still being used for the purpose in which the exemption was originally granted. This review will be conducted by staff during the annual bylaw preparation. Non-profit organizations are encouraged to contact District staff if significant changes have occurred on the property.

Limitations:

There will be no exemption or reduction to utility fees and charges for taxation exempt properties. Water, sewer, garbage and local area service taxes are due and payable.

Space rented to a commercial business within a non-profit organization's building is prohibited from tax exemption.

Application Process:

Council will consider applications for permissive exemptions annually.

The opportunity to apply will be advertised locally a minimum of two times and on the District's web page. Letters will be mailed to tax exemption recipients whose exemption duration is expiring.

Applications must be submitted to the Corporate Services Department, using the prescribed application form, by June 15th annually.

All applications will be reviewed by staff and presented to Council.

All applicants should be prepared to support its application in person, if requested to do so.

All applications 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:
 - 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

Tax exemptions will be valid for three years. During the two-year period, updated information is not necessary unless significant changes, financial or otherwise, occur.

A permissive tax exemption may not be granted where the organization is unable to demonstrate a need for its services, where the organization has made no effort to obtain other funding sources for provisions of services or where the organization does not make use of volunteers to provide services.

Funding:

Approved applications can receive up to 100% exemption on eligible portions. Council may also consider partial permissive municipal tax exemptions less than 100%.

Council may approve a reduced permissive tax exemption allocation for those non-profit organizations who receive a grant-in-aid from the District.



District of Tumbler Ridge Application for Permissive Tax Exemption

Date: _____ Date Received: _____

GENERAL INFORMATION			
Official Name of the Property Owner			
Mailing Address	City	Province	Postal Code
SOCIETY INFORMATION			
Charity's BN (Business Number) / Registration Number		Society Registration Number	
Annual Report Filed with the Provincial Government <input type="checkbox"/> YES <input type="checkbox"/> NO Date Last Report Filed: _____			
Board Executive			
Title	Name	Phone Number	
LOCAL CONTACT INFORMATION OF PERSON COMPLETING APPLICATION FORM			
Contact Name			
Mailing Address	City	Province	Postal Code
Work Phone	Home Phone	Cell Phone	Email Address

**LEGAL INFORMATION OF PROPERTY FOR WHICH THE
EXEMPTION IS BEING REQUESTED**

Civic (Street) Address

Roll Number

PID

Plan

Block

Lot

Parcel

**Please indicate the clause under Section 224 of the *Community Charter Subsection 2 (attached)* that allows your organization to apply for this permissive tax exemption:
Clause (___)**

a) Describe the purpose and use of the land and/or building(s). Attached is a current map showing the property's building plan.

b) Does anyone live in the building? NO YES
If Yes, How many people? _____
What is the square footage of the living area? _____

c) Does your organization receive any income from rental or use of the building(s), parking lot(s), or other portions of the land(s)? NO YES If yes, please indicate:

Income Source	Annual Income	Hours Per Day or Days Per Week

List all licences held by your organization (e.g. Provincial Licences – Community Care Facility Act, Hospital Act, Health Act, Liquor Licenses, etc)

User Statistics

1. _____ The number of persons that are served by your organization annually.
2. _____ The number who are residents of the District of Tumbler Ridge.

List funding assistance and grants received from senior governments (federal/provincial), local or regional governments (other than the District of Tumbler Ridge) or other funding agencies in the past three years:

Year	Amount	Name of Contributor

Attach the following information:

- Most recent Financial Statements (audited are preferred) including a Balance Sheet and Income Statement
- Previous year's actual operating budget if the most recent Financial Statements provided are not the previous year (Please attach a copy of the income and expense statement in a format consistent with the non-profit's financial statements)
- Operating Budget for the Current Year (Please attach a copy of the projected income and expense statement in a format consistent with the non-profit's financial statements)
- Project operating budget for the next year
- Copy of the building's floor plan
- Applications for leased property must include a copy of the current lease agreement

DECLARATION

I hereby declare that the statements and information contained in the material submitted in support of this application are to the best of my belief true and correct in all respects.

I hereby agree to indemnify and save harmless the District of Tumbler Ridge and its employees against all claims, liabilities, judgments, costs and expenses of whatsoever kind which may in any way occur against the said District and its employees in consequence of and incidental to, the granting of this exemption, if issued, and I further agree to conform to all requirements of the applicable bylaw and all other statues and bylaws in force in the District of Tumbler Ridge.

Signature of Applicant

Date

APPLICATION DEADLINE – JUNE 15

SEND APPLICATIONS TO
District of Tumbler Ridge
C/O Corporate Services
PO Box 100
305 Iles Way
Tumbler Ridge, BC V0C 2W0

Community Charter

General authority for permissive exemptions

224 (1) A council may, by bylaw in accordance with this section, exempt land or improvements, or both, referred to in subsection (2) from taxation under section 197 (1) (a) [*municipal property taxes*], to the extent, for the period and subject to the conditions provided in the bylaw.

(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*] or
- (j) [*hospitals*], any area of land surrounding the exempt building;
- (h.1) in relation to land or improvements, or both, exempt under section 220 (1) (l) [*independent schools*], any area of land surrounding the exempt land or improvements;
- (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.