



POLICY NUMBER: 58
POLICY TITLE: Permissive Tax Exemption Policy
EFFECTIVE DATE: August 13, 2013
AMENDED: June 27, 2017
AMENDED: April 9, 2019

POLICY:

The Village of Valemount 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 vision of Striving for a Vibrant and Balanced Community.

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 against with that of 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 of 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 Valemount 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, and Section 224. See Appenix "A" (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 benefit and accessibility to the residents of the Village of Valemount.
- f. Village of Valemount residents must be the primary beneficiaries of the organizations services.
- g. Provides a service supporting the social, spiritual, cultural, educational or physical well-being of the community.
- h. Is in compliance with the Village policies, plans, bylaws, and regulations (ie: Business licensing, zoning, building etc.)
- i. Is current in all taxes and utilities

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 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 July 1st of each year.

Applications must be submitted to the Finance Department, using the prescribed application form, before July 31st of each year.

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 land and improvements including participant numbers, volunteer hours, fees charged for participation, benefits to the community.
- Description of any 3rd party use of the subject land and improvements including user group names, fees charged, and terms of use.

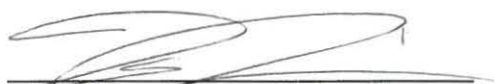
The Finance Department will prepare a Summary Report, the Permissive Tax Exemption bylaws and public notice by prior to October 31st. Public Notice, in accordance with the *Community Charter* – Section 94, must be placed in 2 consecutive papers prior to adoption of the bylaw. Notice will also be posted 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.

Council Resolution No. 137/19 dated this 9th day of April, 2019



Chief Administrative Officer

[illegible]

Legal Information

Civic Address: _____ Roll Number: _____

PID Number: _____ Plan Number: _____

Block: _____ Lot Number: _____ Parcel Number: _____

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

Does anyone live in the building? _____ If so, how many people: _____

What is the square footage of the living area: _____

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

User Statistic Information

Describe the programs, services and or 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 he number who are residents of the Village of Valemount :

Is the organization run by volunteers, paid staff or a combination of both?

Number of volunteers: Volunteer hours worked per years:

Number of paid staff, their titles and number of paid hours per year:

Name of staff	Title	Paid Hours per year

Is the organization in compliance with all municipal policies, plans, bylaws, and regulation of the Village of Valemount (ie: Business Licenses, zoning bylaw, building bylaw, etc.)? If not, please give reasons:

Has there been any change in the status or use of the building(s) or property in the last 12 months? If yes, please explain briefly.

Explain how the purpose of your organization is directly related to the objectives and purposes of the Council of the Village of Valemount.

Other activities which may be pertinent to your application:

Income, Grants and Funding Assistance

Does your organization receive any income from rental or use of the building(s), parking lot(s), or other portions of the land(s)? If yes, please indicate:

[illegible]

Has your organization received other grants in the last three years from the Village of Valemount? If yes, please indicate the year, the amount and the purpose of the grant:

[illegible]

List funding assistance and grants received from senior governments (Federal/Provincial), local or regional governments (other than the Village of Valemount) or other funding agencies in the past three years.

Year	Amount	Name of Contributor

Attach the following information to this application:

- Audited Financial Statements including a Balance Sheet and Income Statement for the last 3 years (unless previously exempted, only prior years Financial Statements are required)
- Copy of registered Charity or Non-Profit Information return for previous year
- Copy of title certificate or lease agreement, as applicable

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 Village of Valemount and its employees against all claims, liabilities, judgments, costs and expenses of whatsoever kind which may in any way occur against the said Village 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 statutes and bylaws in force in the Village of Valemount.

X

Signature of Applicant

Date

APPENDIX “A”

Community Charter - Division 7 – Permissive Exemptions

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.

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 corporations, 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 exemptions 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 licensees 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 (1) [*private schools*], and 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 either *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.

224 (3) the authority under subsection (2) (e) and (g) to (j) is not subject to section 25 (1) [*prohibition against assistance to business*].

224 (4) Subject to subsection (5), a bylaw under this section

- a. Must establish the term of the exemption, which may not be longer than 10 years,
- b. May only be adopted after notice of the proposed bylaw has been given in accordance with section 227 [*notice of permissive tax exemptions*], and
- c. Does not apply to taxation in a calendar year unless it comes into force on or before October 31 in the preceding year.

224 (5) Subsection (4) (a) and (b) does not apply in relation to exemption under subsection (2) (f) and (h).

224 (6) If only a portion of a parcel of land is exempt under this section; the bylaw under this section must include a description of the land that is satisfactory to the British Columbia Assessment Authority.

224 (7) A bylaw under this section ceases to apply to property, the use or ownership of which no longer conforms to the conditions necessary to qualify for exemption and, after this, the property is liable to taxation.