



DISTRICT OF 100 MILE HOUSE Policy & Procedures Manual

PERMISSIVE TAX EXEMPTION POLICY

A permissive tax exemption is a means for Council to support organizations within the community which further Council's objectives of enhancing quality of life (economic, social, cultural) and delivering services economically.

There is no obligation for Council to grant a permissive tax exemption.

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*.

ELIGIBILITY CRITERIA

1. Subject Property must be one of the following:
 - (a) Land and/or improvements owned, or in specific situations, leases, or;
 - (b) Land and/or improvements ancillary to a statutory exemption under section 220 of the *Community Charter*
2. Nature of organization must be:
 - (a) Non-profit organization;
 - (b) Charitable/philanthropic organization;
 - (c) Athletic or Service Club/Associations;
 - (d) Partner of the municipality by agreement under section 225 of the *Community Charter*;
 - (e) Other local authority; (i.e. Regional District), or
 - (f) Organization eligible under statutory exempt under section 220 of the *Community Charter*.



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3. Principal use of property meets Council's objectives. The "principal use of the property" refers to the use related directly to the principal purpose of the organization owning the property.

Permissive tax exemptions will be based on the principal use of the property, not the non-profit or charitable services of the organization.

4. No permissive 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.
5. Applications will **NOT** be considered that:
 - (a) Conduct any retail operation as an independent business on commercial property that could compete with privately owned facilities providing a similar service; or
 - (b) Provide liquor and/or meal services as their primary function.

APPLICATION PROCESS

1. Permissive exemptions will normally be provided for a period of up to five years. Applications received off cycle will be corresponded with the tax exemption cycle. During the five-year period, updated information is not necessary unless significant changes, financial or otherwise, occur. All permissive tax exemptions must be renewed by application every five years on the District of 100 Mile House Permissive Tax Exemption application form.

Exemption must not be assumed, even if obtained in a prior cycle.

2. The opportunity to apply will be advertised once in the local newspaper the first week in June and on the District's web page. Letters will be mailed to tax exemption recipients whose exemption duration is expiring.



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3. Applications must be received by July 15th in each applicable year for exemptions that begin in the subsequent year. Applications received after the deadline or applications which do not include all required information will not be considered.
4. Applications must be in the prescribed form and must include:
 - a) copy of most current Financial Statement
 - b) copy of Financial Budget for the current year;
 - c) scale drawing of property, that includes buildings, parking lots, landscaping, playgrounds, fields, etc.;
 - d) copy of State of Title Certificate or Lease Agreement, as applicable;
 - e) description of any third party use of the subject land/improvements including user group names, fees charged, conditions of use.
5. All recipients of tax exemptions from the District of 100 Mile House are required to publicly acknowledge the exemption.
6. The organization must justify the need for the services and may be required to make a presentation to Council.
7. The organization must be seen to be working towards self-sufficiency by seeking funding from other sources.
8. The organization may be required to show evidence of ongoing, active volunteer involvement.
9. Where the applicant leases a portion of the land/improvements from a third party or where the applicant leases a portion of land/improvements to a third party, the applicant must provide assessment details from the British Columbia Assessment Authority regarding the leased versus un-leased portions.
10. Only that part of the property used for non-profit activities will be considered for exemption. Commercial activities will be excluded.



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ADMINISTRATION

1. The Financial Administration Department will review all applications for completeness and contact the applicant if additional information is necessary.
2. The Financial Administration Department will prepare a summary report of applications and bylaw for presentation to Council no later than the first week of October for approval and adoption prior to October 31st of each year.
3. A public notice will be placed in the local newspaper of the proposed bylaw. The notice will include:
 - a) Property subject to bylaw;
 - b) Description of the proposed exemption
 - c) Number of years the exemption will be provided
 - d) Estimate of the amount of taxes that would be imposed on the property if it were not exempt for the year of exemption and following 4 years.

Public notice will be in accordance with Section 94 of the *Community Charter*.

Approved by: Council

Date: July 22nd, 2014



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APPLICATION FORM FOR PERMISSIVE EXEMPTION FROM PROPERTY TAXATION
(Section 224 of the Community Charter)

IDENTIFICATION OF APPLICANT

Organization name: _____

Are you registered under the *Societies Act*? Yes No
Are you a registered charity? Yes No

Mailing Address: _____

Contact Person: _____ Email Address _____

Phone Number: _____ Fax Number: _____

Preferred method of application reminder: Email Mail

PROPERTY (complete a separate form for each property)

Folio Number: _____ Address: _____

Legal Description: _____

Registered Owner (if different than above): _____

ABOUT YOUR ORGANIZATION Please provide a brief description of the goals and objectives of the organization.



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PRINCIPAL USE OF THIS PROPERTY Please provide a brief description of the principal use of the property and how this use benefits the community.

COMMERCIAL ACTIVITY Please provide a brief description of any commercial activities that your organization conducts on this property.



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PUBLIC ACKNOWLEDGEMENT All recipients of District of 100 Mile House permissive tax exemptions are required to publicly acknowledge the exemption. How does your organization plan on publicly acknowledging the exemption?

FINANCIAL STATEMENTS Attach your most recent financial statements.

PROPERTY OWNERSHIP Do you plan on selling any portion of the property during the permissive tax exemption period?

Yes No

DECLARATION

I am an authorized signing officer of the organization and I certify that the information given in this application is correct. Should a permissive tax exemption be granted on the above listed property, I am agreeable to the following terms:

- If the property is sold prior to the exemption expiration, the organization will remit to the District an amount equal to the taxes that would have otherwise been payable to the District by a non-exempt owner.
- The property use will be in compliance with all applicable municipal policies and bylaws.
- The organization will publicly acknowledge the permissive tax exemption granted by the District.

Signature

Position

Name (please print)

Date