

DEPARTMENT: FINANCE	POLICY NUMBER: 202-05
POLICY TITLE: PERMISSIVE TAX EXEMPTION	
Authority: Legislative: <input checked="" type="checkbox"/> (Council) Administrative: <input type="checkbox"/>	Effective Date: April 13, 2004 Date for Review: As Required
Council Resolution Number: 152RC/04/04/13	Issue Date: May 3, 2004

Amendments: 190RC/05/05/09	Date of Amendment: May 9, 2005
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PREAMBLE

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. A permissive tax exemption is strictly at the discretion of the District of Hope Council. After careful consideration of all applications Council may approve a full, a partial, or no tax exemption. The tax exemption may vary for the different applicants. This policy guides identification of organizations meeting Council’s objectives.

POLICY

1. Overall Amount

A projected amount of revenue to be foregone by Permissive Tax Exemptions will be set by Council annually during the development of the Financial Plan. This amount will be used to calculate the following year’s tax exemption for approved organizations based on the current year’s assessment and tax rates. The actual amount of the exemption may vary according to the following year’s assessment and tax rates.

2. Process

Council will consider applications for permissive tax exemptions annually. The opportunity to apply will be advertised two (2) times in the local newspaper and by letters mailed to current tax exemption recipients. In addition, application packages will be available at any time from the Municipal Office or on our website at www.hope.ca. Applications must be submitted to the Director of Finance, using the prescribed application form, before July 31st each year. The Director of Finance will review the applications for completeness, and arrange contact with applicants for additional information as necessary.

Application submissions must include:

- Copies of audited financial statements for last three (3) years;
- Copy of state of title certificate or lease agreement, as applicable.
- Description of programs/services/benefits delivered from the subject lands/improvements including participant numbers, volunteer hours, benefiting groups/individuals/special needs populations, fees charged for participation
- Description of any 3rd party use of the subject land/improvements including user group names, fees charged conditions of use.
- Financial information on how the tax exemption amount is put back into the community through charitable means or reduced fees paid by the general population of the District of Hope.
- Confirmation that the organization's activities do not compete with any other duly licensed business in the Municipality.

The Director of Finance will present a summary report of the applications, relative to the eligibility criteria, to Council [or appropriate Standing Committee] and arrange for delegations to Council [Committee] by applicants as necessary.

3. Criteria

(a) Subject Property must be one of:

- Land and/or improvements owned by the applicant
- Land and/or improvements leased under an agreement
- Land and/or improvements ancillary to a statutory exemption under s.220 of the *Community Charter (Statutory Exemptions)*

(b) Nature of Organization must be:

- Non-profit organization
- Charitable/philanthropic organization
- Athletic or Service Club/Associations
- Care facility/licensed private hospital
- Partner of the municipality by agreement under s. 225 of the *Community Charter*
- Other local authority
- Organization eligible under s. 220 statutory exemption (e.g. place of public worship, cemetery, library, Indian land, senior's homes, hospital, etc.)

(c) The applicant organization's use of the land/improvements must benefit the community in one or more of the following ways:

- Provides recreational facilities for public use
- Provides recreation programs to the public
- Provides programs to and/or facilities used by youth, seniors or other special needs groups
- Preserves heritage important to the community character
- Preserves an environmentally, ecologically significant area of the community
- Offers cultural or educational programs to the public which promote community spirit, cohesiveness and/or tolerance
- Offers services to the public in formal partnership with the municipality
- [other]

(d) All accounts for fees and charges levied by the District of Hope to the applicant must be current

4. Duration of Exemption

Eligible organizations may be considered for tax exemptions exceeding one year (to a maximum of 10 years) where it is demonstrated that the services/benefits they offer to the community are of a duration exceeding one year (i.e. for the period of the tax exemption).

5. Extent, Conditions, and Penalties

(a) Council may designate only a portion of the land/improvements as exempted where the following circumstances exist:

- A portion of the land/improvements is used by the private sector and/or organizations not meeting Council's exemption criteria
- The applicant already receives grant-in-aid from the municipality and/or other sources
- [other]

(b) Council may impose **conditions** on the exempted land/improvements with the applicant organization, including but not limited to:

- registration of a covenant restricting use of the property
- an agreement committing the organization to continue a specific service/program
- an agreement committing the organization to have field/facilities open for public use for certain times or a total amount of time
- an agreement committing the organization to offer use of the field/facility to certain groups free of charge or at reduced rates

- an agreement committing the organization to immediately disclose any substantial increase in the organization's revenue or anticipated revenue or any change in the status of the property
- [other]

(c) Council may impose **penalties** on an exempted organization for knowing breach of conditions of exemption, including but not limited to:

- revoking exemption with notice
- disqualifying any future application for exemption for specific time period
- requiring repayment of monies equal to the foregone tax revenue
- [other]



PERMISSIVE TAX EXEMPTION APPLICATION

CANADA)
PROVINCE OF)
BRITISH COLUMBIA) **IN THE MATTER OF THE TAXATION EXEMPTION
BYLAW PURSUANT TO SECTION 224 OF THE
COMMUNITY CHARTER ACT IN THE DISTRICT OF HOPE
(exemption from taxation under Annual Rates Bylaw)**

Pursuant to Section 224 of the Community Charter (see attached for your convenience)

I, _____ of _____,
Name **Street Address**

City/Town Telephone No. (____) _____ or (____) _____

In the Province of British Columbia, do solemnly declare THAT:

1. I am the _____ of the
Position Currently Held Within Organization

Name of Corporation, Association, Society or Organization

Have knowledge of the facts hereinafter deposed with respect to the following property for which a tax exemption is being applied for:

Property Address _____
Property Zoning _____
Roll/Folio No.

Legal Description of Property

2. Full name or title of organization: _____

3. Mailing address of the organization (including Postal Code): _____

4. Name and phone number of two other officials in organization (i.e. Pastor, President, Manager, etc.)

1. Name: _____

2. Name: _____

Title: _____

Title: _____

Day Phone No.: _____

Day Phone No.: _____

Night Phone No.: _____

Night Phone No.: _____

5. The lands are registered in the name of: _____

(in the case of a Society, Corporation, Association, please include a copy of the Certificate of Title)

6. The exemption is claimed under the Community Charter, Section 224, pursuant to Subsection 2. Please supply the relevant designation for eligibility.

7. The gross floor area of the building:

8. Number of parking spaces:

Gravel:

Blacktop:

Undeveloped:

9. **We require a current site plan of the property** indicating the grounds and buildings and their uses. This would include buildings, storage buildings, walkways, parking lot, playgrounds, bush areas, etc.
Show all dimensions.

10. What is the principal use of the property?

11. Is any part of the building or of the property used or rented by commercial or private operators or by any group other than your organization?

12. Please provide details of other activities on your property; such as daycare centers, catering and hall rental, thrift shop.

The following information is required for each activity:

- Hourly per day and/or days per week of operation
- Fee or charge
- Approximate number of participants
- Is the activity operated by the church or by an outside organization?

13. (a) How is your organization consistent with District policies, plans, bylaws, codes and regulations?

(b) How is your organization non-profit?

(c) How is your organization a complementary extension to District services and programs?

(d) How is your organization accessible to the public?

(e) How is your organization used primarily by District of Hope residents?

14. Other activities which may be pertinent to your application:

15. Does anyone live in the buildings? If yes, how many people?

16. Square footage of living area: _____

17. Has there been any change in the status or use of the buildings or property in the last 12 months? If yes, please explain briefly.

18. **CHURCHES ONLY** complete the following additional questions:

(i) What is the seating capacity of the church?

Permanent: _____

Portable: _____

(ii) What is the gross floor area of the

(a) Church: _____

(b) Hall: _____

(c) Other Buildings: _____

Total Gross Floor Area: _____

(iii) Every building on the lands is in use and continues to be set aside for public worship or for a Church Hall.

(iv) A manse or a building of similar kind

_____ is not used in association with the place of public worship

_____ is used for public worship; and an exemption is claimed for the land and improvement.

If the manse or a building is used for public worship, specify what area of the building and square footage.

Note: Manses may be considered if they are used for Sunday School, Bible Class, etc., but not for office, elders meetings, storage.

AND I make this solemn declaration, conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath, and by virtue of the CANADA EVIDENCE ACT.

DECLARED before me at the District of Hope)
In the Province of British Columbia this)
_____ day of _____ A.D. 20 __)

A Commissioner for taking Affidavits within)
British Columbia or a Notary Public in and for)
the Province of British Columbia)

Signature

NOTE:

- (1) Exemptions may be claimed for a place of public worship, a church hall and the land upon which they are sited, and for adjacent land used for off-street parking, walks and landscaping associated with the principal use. A separate exemption may be provided for in Section 18 (iv) (above) where a manse or similar residence is associated with the place of public worship.
- (2) The Corporate Services Department at the Municipal Hall (325 Wallace Street, Hope, BC) has Commissioners for Taking Affidavits available for signing documents.
- (3) The personal information on this form is collected for the purpose of an operating program of the District of Hope as noted in Section 26(c) of the *Freedom of Information and Privacy Act*. If you have any questions about the collection and use of this information, please contact the Director of Finance at (604) 869-5671 or toll free at 1 866 226-4673.
- (4) **Applications for Permissive Tax Exemption must be received by 31st of July in the year prior to the taxation year for which exemption is requested in order to be included on the applicable annual Permissive Tax Exemption Bylaw.** i.e. An application for permissive tax exemption for the year 2007 must be received by the 31st of July, 2006.
- (5) Permissive Tax Exemption Applications are to be submitted to:

The District of Hope
Attention: Finance Department