

## **POLICY STATEMENT AND REGULATIONS**

### **Number: 200.2**

### **Permissive Tax Exemptions**

#### **POLICY**

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

Places of Worship, Private Schools and Hospitals will receive a permissive tax exemption on property not receiving statutory tax exemption under Section 220(1) of the Community Charter providing the property is not used for residential purposes and the majority of the property meets the criteria for the statutory tax exemption under Section 220(1) of the Community Charter. These organizations are not subject to the eligibility criteria and conditions set out in this policy.

A permissive tax exemption application or renewal application must be submitted each year.

Council may consider an application for a Revitalization Tax Exemption under Section 226 of the Community Charter.

#### **ELIGIBILITY CRITERIA**

The onus is on each organization to clearly demonstrate how they meet the following criteria:

- a) Compliance with the requirements of Section 224 of the Community Charter
- b) Registration as a non-profit society or charitable organization in the Province of BC. or Canada.
- c) Benefit to the community by providing programs that contribute to the wellbeing of the citizens of the District of Summerland
- d) Provision of services that are an extension of or complementary to municipal services and programs.
- e) Principal use of the property is service delivery for the direct benefit of the community.
- f) Ongoing, active volunteer involvement.
- g) Membership in the organization and/or use of the property is open to all Summerland citizens who would be reasonably expected to benefit from the programs.
- h) Compliance with all municipal bylaws and policies.

## CONDITIONS

- a) The support of the District will not be used for commercial ventures or private gain.
- b) There will be no exemption or reduction of utility fees and charges for tax exempt properties including but not limited to fees, charges and parcel taxes for water, sewer and electricity.
- c) A caretaker's residence, church manse or other dwellings on the property will not receive a tax exemption.
- d) Vacant land being held for future use will not receive a tax exemption.
- e) Partial exemptions will be considered.
- f) Exemptions are not based on the charitable service of an organization, but rather the organization's use of the particular property. An organization that provides liquor and/or meal services as their primary function or source of revenue will not be eligible for permissive tax exemption. For community halls and camps, the property must be made reasonably available to the District's Parks and Recreation Department for the scheduling of community recreation programs.
- g) Organizations and properties in receipt of property tax exemption are not to re-distribute funds to other charitable organizations.
- h) In the event of dissolution, insolvency or bankruptcy of the organization, written notice must be given to the District of Summerland.
- i) The District of Summerland must be notified prior to the sale of any of the property that has received a permissive property tax exemption.

## APPLICATIONS

- a) To receive consideration in the next taxation year for a permissive tax exemption, new and renewal applications must be submitted before the end of July. The application must be made using the District's prescribed form and must include all required information.
- b) Unless all required information is supplied or a suitable explanation offered as to why this information cannot be supplied, the tax exemption application will not be considered.
- c) The District's Permissive Tax Exemptions Policy Statement and Regulations process and guidelines will be publicized by posting a notice advising the community of the tax exemption process.

## ACKNOWLEDGEMENT OF TAX EXEMPTIONS

- a) All recipients of permissive tax exemptions are required to publicly acknowledge the support of the District of Summerland.
- b) This information is to be communicated to all beneficiaries, either in the local newspaper or through a letter, as well as, if applicable, in a prominent location in their publication.