



Number: 100-01-20
REGIONAL DISTRICT OF CENTRAL KOOTENAY
Policy Manual

Chapter: 100 – Board and Governance

Section: 01- Board

Subject: Permissive Tax Exemption

Board Resolution: 270/23

Established Date: April 20, 2023

Revised

Date:

POLICY:

PURPOSE:

This policy provides the Board with a consistent and equitable approach to evaluation of applicants for the issuance of permissive tax exemptions.

The Regional District Permissive Tax Exemption Policy provides clarity regarding the roles and responsibilities of those participating in the permissive tax exemption process. This policy provides a timeline for the application and evaluation of tax exemptions to ensure proposals receive adequate consideration. A set of evaluation criteria are included in this policy to ensure an equitable approach is applied to the evaluation of proposals.

SCOPE:

This policy applies to property tax exemptions as specified in Section 391 of the *Local Government Act*.

This policy does not apply to:

- a) statutory tax exemptions applied by the Provincial Government;
- b) heritage exemptions specified in Section 392 of the *Local Government Act*;
- c) riparian exemptions specified in Section 394 of the *Local Government Act*; or
- d) partnership agreement exemptions specified in Section 396 of the *Local Government Act*.

DEFINITIONS:

Board means the Board of the Regional District of Central Kootenay

Corporate Officer means the Corporate Officer of the Regional District of Central Kootenay

Bylaw means a Regional District Bylaw XXXX, 2023 exempting specified properties from both parcel and valuation taxes for a specified period of time based on the criteria and process described in this policy.

Recreation means an activity of leisure. Recreational activities are done for enjoyment, amusement, or pleasure. Application of this term is broad, inclusive and may expressed in many ways.



Service Organization means a registered society in British Columbia required to comply with the Societies Act and their own constitution and bylaws.

ROLES AND RESPONSIBILITIES:

The Board

- Approval of staff recommendations regarding revisions, additions, or deletion to this policy.
- Approval of staff recommendations regarding amendment to the Permissive Tax Exemption Bylaw.
- Engagement with organizations in the community regarding application for property tax exemptions.

The Corporate Officer

- Notify the public of the opportunity and requirements for property tax exemption application.
- Establish property tax exemption application and approval schedule.
- Establish a property tax exemption application and approval process.
- Establish property tax exemption application criteria.
- Prepare the Permissive Tax Exemption Bylaw for Board Consideration.

Applicants

- The timely submission of completed application forms to the Corporate Officer.
- Understanding the qualifications required for submission.

POLICY:

ELIGIBLE LAND USES AND INTERESTS

To qualify for a property tax exemption the applicant must ensure that

- All properties and improvements must qualify for an exemption under the provisions of the *Local Government Act* Section 391.
- Properties, improvements, and proposed uses must be compliant with Regional District bylaws, policies, and regulation.
- The proposed use of the property or improvements must be aligned with the values of the community and the Regional District.
- The principal use of the property or improvements must not result in competition with for profit business.

The Board may grant property tax exemptions for specific land uses and interests. Exemptions may be granted for portions of property and improvements based on eligibility requirements.

Community Recreation: This may include, but is not limited to, community halls, cultural centers, playing fields, galleries, and other Recreation based spaces owned or leased by a Service Organization for the use and enjoyment of the public. To qualify for a Community Recreation Property Tax Exemption



Number: 100-01-20
REGIONAL DISTRICT OF CENTRAL KOOTENAY
Policy Manual

- The principal use of the property and or improvements must be Recreation;
- Use of the property must be available to the general public. This may take the form of organized classes, leagues, or events so long as the opportunity to organize these uses is inclusive and transparent; and
- The property and improvement must be owned or held by, or held in trust by the owner for, a Service Organization.

Public Worship: This may include churches, synagogues, mosques, temples, and other places of public worship owned or leased by a Service Organization for the purpose of worship open to the general public. To qualify for a Public Worship Property Tax Exemption

- The property or improvements must be owned or occupied by a Service Organization as a tenant or licensee;
- Worship must occur on the site on at least a monthly basis; and
- Worship must be open to the public.

Agricultural and Horticultural Societies: This may include those properties in excess of the 8.4ha immediately adjacent to an agricultural or horticultural society hall that may be exempted as per the Community Charter. To qualify for an Agricultural or Horticultural Societies Property Tax Exemption

- An Agricultural or Horticultural exemption is for property only;
- Only those parts of the property in excess of the area statutory exemption under section 15 (1) (j) of the *Taxation (Rural Area) Act* qualify for a property tax exemption; and
- The property must be owned by an Agricultural or Horticultural Society which qualifies as a Service Organization.

Interests in School Board Buildings: This may include interests held in School Board or Francophone School Board buildings. To qualify for a School Board Interests Property Tax Exemption

- The interest must be held by a Service Organization or Francophone School Board; and
- The interest must be owned by a BC School Board or a Francophone School Board.

Local Authorities: This may include land or improvements held by Improvement Districts, Commissions, Library Boards, Hospital Boards, or other Local Authorities. To qualify for a Local Authority Property Tax Exemption

- The land or improvements must be owned by a local authority.
- The land or improvements must be used for a purpose of the local authority.



POLICY COMPLIANCE & EXEMPTION RENEWAL

Property tax exemptions may be revoked at the discretion of the Board by bylaw in accordance with the Local Government Act.

In the event that a property no longer meets the requirements for an exemption due to a change in ownership or land use the bylaw ceases to apply to that property and the property is liable to taxation effective from the time of change.

Unless directed by the Board all property tax exemptions must be applied for, and approved, annually. Failure to apply for a property tax exemption will result in an exclusion from the Regional District Permissive Tax Exemption Bylaw. The property is then liable to taxation effective the following year.



SCHEDULE A: APPLICATION SCHEDULE

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The application schedule for a property tax exemption is as follows:

First Public Notice of Application – Advertised no later than June 1st

Applications Available – No later than June 1st

Second Public Notice of Application – Advertised no later than July 1st

Applications Due – No later than August 1st

Permissive Tax Exemption Approval – October Board Meeting

Submission of Permissive Tax Exemption Bylaw to the Province – by October 31st



SCHEDULE B: APPLICATION FORMS

The inputs below are the information required of the Property Tax Exemption Application Form. The Form itself will be made available for electronic distribution and submission or analogue submission. All relevant information must be submitted in order to be considered for an exemption.

Applicant Information

Applicant Name:
Applicant Phone Number:
Applicant Email:
Applicant Mailing Address:
Applicant Relationship To Service Organization:

Service Organization Information

Service Organization Name:
Service Organizations Society Number:
Service Organizations Phone Number:
Service Organizations Email:
Service Organizations Mailing Address:
Minutes From Most Recent AGM Must Be Included:
Most Recently Filed Financial Statement Must Be Included:

Property Information

Property Address:
Property PID:
Title Number:
Lease Must Be Included If Relevant:
Current Land Use:
Proposed Land Use (if different):
Compliance with Building Bylaw: Yes/No
Building Bylaw Comments:
Compliant with Land Use Planning: Yes/No
Land Use Planning Comments:

Exemption Information

Property Tax Exemption Type

- Community Recreation
- Public Worship
- Agricultural or Horticultural Societies
- Interests In School Board Buildings
- Local Authorities

What proportion of improvements are proposed exempt
What proportion of land is proposed exempt
If proportions are proposed is a diagram included: Yes/No



SCHEDULE C: EVALUATION CRITERIA

The information detailed in Schedule B: Application Forms provided by the applicants shall be evaluated using the criteria below to inform the recommendation to include a property in the permissive tax exemption bylaw.

1. Is the proposed land or improvement use eligible for an exemption?
 - Ownership/Lease arrangement compliance (Yes/No)

2. Is the organization or individual making application eligible for an exemption?
 - Compliant with the Societies Act (Yes/No)
 - School Board
 - Local Authority

3. How does proposed exemption align with the goals and direction set by the Board?
 - Compliance with local regulations (Yes/No)
 - Aligned with Board and Community Values (Yes/No)

4. What are the implications for local government taxation and services.
 - Taxation Impact
 - Relationship to other services



Number: 100-01-20
REGIONAL DISTRICT OF CENTRAL KOOTENAY
Policy Manual

RELATED LEGISLATION:

The Local Government Act S277, S391-S396

The Community Charter Div 7
