

## PERMISSIVE TAX EXEMPTION POLICY

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### **PURPOSE:**

A permissive tax exemption is a means for Council to support not for profit organizations within the community which further Council's objectives of enhancing quality of life (economic, social, and cultural) and delivering services economically. There is no obligation on the part of Council to grant exemptions.

### **LEGISLATIVE BASIS:**

In accordance with provisions under the *Community Charter*, a Council may, by bylaw, exempt land or improvements, or both, from taxation to the extent, for the period and subject to the conditions provided in the bylaw. The Permissive Tax Exemption Bylaw must establish the term of the exemption, which may not be longer than ten years. The Council must adopt the bylaw on or before October 31 of the current year to be considered for the next year. The bylaw may only be adopted after notice of the proposed bylaw has been provided once in each week for two consecutive weeks in a newspaper.

### **PROCESS:**

Council will consider applications for permissive tax exemptions annually and will approve the total amount of revenue to be foregone by the tax exemption. The opportunity to apply will be advertised locally and notice will be provided on the District's web site. Letters will be mailed to tax exemption recipients designated in the preceding tax year.

Applications must be submitted to the Director of Finance, using the prescribed application form on or before August 1<sup>st</sup> of each year, or such other date as Council may direct, together with the following information:

- Copy of financial statements for the preceding year;
- Detailed proposed budget for the current year;
- Description of programs/services/benefits delivered from the subject lands/improvements;
- Description of any 3<sup>rd</sup> party use of the subject land/improvements including user group names, fees charged, conditions of use.

The Director of Finance will present a summary report of the applications, relative to the eligibility criteria, to Council for consideration.

### **ELIGIBILITY:**

- Eligible not for profit organizations and churches that hold land and/or improvements and qualify for tax exemption in accordance with provisions under the *Community Charter*;
- The Director of Finance will determine if applicants qualify for consideration by Council in accordance with provisions under the *Community Charter*.

### **CRITERIA:**

- There is a demonstrated financial need;
- Services and/or community benefits provided by an organization must be, in the opinion of Council, of sufficient scope and quality to merit Council support;
- The organization should be prepared to support its application in person should it be requested to do so;
- Offers activities/programs which are accessible to a large portion of the community's residents.

The term of a permissive tax exemption shall be for three years.  
In accordance with provisions under the *Community Charter*.