

TAX EXEMPTIONS

Permissive Tax Exemptions

TAX 001

PURPOSE

The purpose of this policy is to allocate limited financial resources and give support to local organizations, within defined parameters; and to guide identification of properties meeting Council's objectives for property assessment exemption.

Council believes it does not have a mandate to spend Taxpayers dollars on charitable organizations or objectives. Council believes that if taxpayers wish to spend their money for this purpose then each individual taxpayer has the opportunity to do so without being compelled to support an organization through their tax dollars. Where Council does give financial support it is to further Council's objective of enhancing the quality of life (economic, social or cultural) in the City by assisting organizations that serve these objectives.

In that context Council may give limited financial support, with the overall amount determined annually during the development of the annual financial plan.

POLICY

Permissive Exemption

Section 224 of the *Community Charter* enables Council to provide permissive assessment exemptions. Permissive exemptions must be passed by bylaw prior to October 31st and apply to the following year. For any application to be considered it must comply with the criteria included in Section 224.

Council may designate only a portion of the land or improvements, or both where circumstances warrant such action.

It must be mentioned that this authority of Council involves exemption of future property assessments and does not allow reduction or elimination of property tax already levied. Therefore overdue property taxes will not be considered; and applications for future exemption will not be considered for any property that has property tax outstanding.

Process and Duration

Council will consider applications for permissive tax exemption annually. However an eligible organization may be considered for a tax exemption exceeding one year (to a

maximum of ten years) where it can be demonstrated that the services or benefits provided to the community are of a duration exceeding one year.

The opportunity to apply will be advertised two times in the local newspaper and letters will be mailed to any assessment exemption recipient whose exemption is expiring.

Applications must be submitted to the Director of Finance before August 31st of each year. The Director of Finance will review the applications for completeness and arrange with applicants for additional information as necessary.

The Director of Finance will present a summary report of the applications to *Committee of the Whole* and notify each organization of the date and time so that applicants can attend and provide a verbal presentation if needed.

Permissive Tax Exemption Application Guidelines

Council may consider applications for permissive assessment exemption providing the following information is supplied:

1. Name of organization, its mission statement, address, identity of contact persons and indication of non-profit status.
2. Brief history of the organization, names of the present Board of Directors, a copy of the most recent financial statement (preferably audited) and the present operating budget.
3. A copy of the title certificate or lease agreement relating to the property in question.
4. A description of the programs and services delivered from the subject land and/or improvements including participant numbers, volunteer hours, benefiting groups or individuals and fees charged for participation.
5. A description of any third party use of the subject land and/or improvements including user group names, fees charge and conditions of use.
6. A summary of the benefits to the City of Colwood.
7. An indication that someone will be available to speak to Council when the application is being considered.

Policy TAX 001 Adopted by Council: 2009-11-23