



2018 Permissive Tax Exemption Application Package

Enclosed are the following items:

1. Permissive Tax Application Form – 2018 Tax Year
2. Town of Golden Permissive Tax Exemption Policy

Please read the documentation carefully as it sets out the policy guidelines that staff and Council will use when accepting and evaluating applications.

Permissive Tax Exemption Policy Highlights:

- **Due Date: JUNE 30, 2017 at 4:30 p.m.**
- The total of all permissive tax exemptions for 2018 will not exceed **\$62,660**
- Applications for 2018 will be harmonized under the cap
- For 2017 approved Permissive Tax Exemption recipients, a full application is not required. Please complete the renewal application.

Please ensure applications include all required information and that they are submitted on (or before) the deadline of June 30, 2017 at 4:30 p.m.

Incomplete and late applications will not be accepted.

If there are questions, please contact the undersigned well before the deadline of June 30, 2017.

Submission Options:

Email:

taxes@golden.ca

Fax:

(250) 344-6577

Regular mail:

Box 350

Golden, BC

V0A 1H0

In person:

810 9th Avenue South

Golden, BC

8:30am-4:30pm M-F

Sincerely,

Carolyn Brown, BBA, CPA, CGA
Deputy Chief Financial Officer





Town of Golden

NEW

Application for Permissive Tax Exemption 2018

by Not-For-Profit, Charitable Organizations, and Places of Worship

Application Deadline: JUNE 30, 2017

- **Checklist** - The following items **must** accompany a completed new application form:
 - Current list of Board of Directors or Executive of the Organization
 - Copy of the most recent fiscal year-end Financial Statements including Balance Sheet and Income Statement. Financial Statements must contain complete information for the organization including: funding received from such sources as government employment grants, lottery funds, or proceeds from fund raising events.
 - A budget for the year for the tax exemption is requested (2018/or most recent) must be submitted in a format consistent with your financial statements (income statement).
 - Scale drawing of the Property, which includes Building(s), parking lots, playgrounds, fields, etc.
 - Copy of the Lease Agreement if the applicant does not own the property
 - Copy of Caretakers Agreement, if applicable

- Applicants may be requested, at Council's request, to make a formal presentation of their application
- Applicants will be notified by letter as to Council's decision of the permissive taxation request



Application Form Permissive Tax Exemption 2018

ORGANIZATION INFORMATION

PLEASE PRINT LEGIBLY

Organization Name: _____

Mailing Address: _____ Box#: _____

City: _____ Province: _____ Postal Code: _____

Contact Person: _____ Position: _____

Phone: _____ Email: _____

Is your organization registered as a **Provincial Society**? YES NO

If YES: Society #: _____

Date of Registration: _____

Date of the last annual report filed with the CRA: _____

Is your organization registered as a **Federal Charitable Organization**? YES NO

If YES: Registration #: _____

Date of Registration: _____

Date of the last annual report filed with the CRA: _____

Nature of your Organization:

(Please tick any boxes that apply to your organization. Please see appendix at the end of the application for definitions of the categories)

- | | | |
|---|---|---|
| <input type="checkbox"/> Special Needs/Supportive Housing | <input type="checkbox"/> Educational Facilities | <input type="checkbox"/> Affordable Housing |
| <input type="checkbox"/> Social Services Properties | <input type="checkbox"/> Athletic or Recreational Facilities | <input type="checkbox"/> Place for Worship |
| <input type="checkbox"/> Arts & Cultural Facilities | <input type="checkbox"/> Space for Community
Development Organizations | |

How many **Employees** does your society/charity employ? _____

Are there local **Volunteers**? YES NO If YES, how many? _____

Membership and/or number of patients/residents:

a. Indicate total number of members in your organization. _____

b. Of this number of members, how many have paid memberships? _____

OR c. Indicate total number of patients or residents utilizing the property. _____



Application Form Permissive Tax Exemption 2018

ORGANIZATION INFORMATION CONT...

PLEASE PRINT LEGIBLY

Please provide the following information in point form. (additional sheets can be added)

a. Describe the **goals/purpose(s)** of the organization.

b. How is the **property used** to accomplish the organization's goals/purpose(s)?

c. Describe the **services and activities** provided by your organization and how they provide a **benefit** to the community.

Does your group's services/activities benefit a specified group **or** a broad range of residents?

A **specified group**

Which Specific Group: _____

A **broad range of residents**

Please provide an **estimated number** of residents the tax exception will benefit in the following categories:

- Municipal Residents (within Town of Golden boundaries) _____
- CSRD Area A _____
- Other Communities _____



Application Form Permissive Tax Exemption 2018

PROPERTY INFORMATION

PLEASE PRINT LEGIBLY

Civic Address of Property Owned/Leased, by applicant: _____

Property Legal Description:

Lot# _____ Plan# _____ Roll# _____

PID# _____ Total Property Square Feet _____

Is your organization the **registered owner**? YES NO

If NO: Does your organization have a lease with the property owner which covers a 12 month calendar year ?
(January – December 2018) YES NO

If YES: Please attach a copy of your **lease**.

Square footage - leased space _____

Number of **parking** spaces: Gravel _____ Blacktop _____ Undeveloped _____

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**? YES NO

If YES: Please **attach a list of other activities** on your property (*i.e. Daycare centre, catering and hall rental, thrift shop*). We require the following for **each** activity (*Please attach additional pages as required*):

_____ Hours per day and/or days of week of operation

_____ Fee or charge

_____ Approximate number of participants

_____ Is the activity operated by the registered owner or by an outside organization?

Does a **caretaker** live on the property? YES NO

If YES: Please attach a caretaker's **agreement** that specifies rent free accommodation in exchange for service.



Application Form Permissive Tax Exemption 2018

FINANCIAL INFORMATION

PLEASE PRINT LEGIBLY

Fiscal Year End of your Organization: _____

Have the most recent annual financial statement been:

- a. **Approved** by the executive or board? YES NO
b. **Audited**? YES NO

You must attach the following to your application:

Most recently approved **Financial Statements** - Including:

- Balance sheet** (Financial Position) Attached
Income Statement (Revenue & Expenditures) Attached
Budget for 2018 Attached

Declaration:

I am an authorized signing officer of the organization and I certify that the information given in this application is correct. Should a permissive tax exemption be granted on the above listed property, I am agreeable to the following terms:

- If the property is sold prior to the exemption expiration, the organization will remit to the Town an amount equal to the taxes that would have otherwise been payable to the Town by a non-profit/charity exempt owner/lessee.
- The charity or non-profit organization is in full compliance with the Income Tax Act of Canada (through Charities Directorate of The Canada Revenue Agency) or the Society Act, Chapter 433 in British Columbia.
- The property use will be in compliance with all applicable municipal policies and bylaws.
- The organization will publicly acknowledge the permissive tax exemption granted by the Town.
- I understand that all required information must be attached to this application to be considered for a Permissive Tax Exemption.

Authorized Signature: _____ Date: _____

Printed Name: _____ Position: _____

EVALUATION CATEGORIES

All applications must meet the description of at least one of the categories below:

1. Special needs and supportive housing properties:

- a. Short term emergency or crisis protection for members of the community, supportive housing for people with special needs, halfway houses, transitional homes and group homes with supportive staff and programs

2. Social service properties:

- a. Support services and programs to members of the community with special needs, who are in some way disadvantaged and need assistance in maximizing their quality of life

3. Arts and Cultural facilities:

- a. Preparation and delivery of artistic and cultural events or exhibits to the public

4. Educational facilities:

- a. Exemption will be equivalent to the percentage of provincial funding allotted based on Certificate of Group Classification issued by the Inspector of Independent Schools

5. Athletic or recreational facilities:

- a. Provide space and equipment for the physical and mental enjoyment of the participants

—

6. Places of Worship

- a. Facilities for public worship occupied by a religious organization as a tenant
- b. Land surrounding places for public worship; church halls and land surrounding them or other property attached and deemed necessary

7. Affordable Housing:

- a. Non-market housing which is owned by and operated by non-profit incorporated housing societies

8. Space for Community Development Organizations:

- a. Applicant or lessee provides for broad economic, informational, social or community development services, activities, and benefits for the purposes of advancing the economic, social, cultural, or environmental well-being of the community.



TOWN OF GOLDEN CORPORATE POLICY

PERMISSIVE TAX EXEMPTION

Effective Date:
June 24, 2014

Authorized By:
Resolution #14-152

Replaces:
Resolution #06-405

INTENT

The purpose of this policy is to:

1. provide guidance in the evaluation of applications for exemption from property taxes pursuant to Section 224 of the *Community Charter*.
2. set out the requirements from permissive tax exemption recipients in order to continue to receive support.

A. BACKGROUND

Section 220 of the *Community Charter* provides for statutory tax exemptions for a range of properties including those held or used by the Province, municipalities, regional districts, libraries, hospitals, schools, cemeteries, and places for public worship. For some properties, such as those used for public worship, the statutory exemption is limited to the building and the land beneath the building – the land surrounding the building and land or ancillary buildings attached to the place of worship, may be given a permissive exemption by Council. Section 224 provides for permissive tax exemptions for properties used by a variety of non-profit organizations that provide services which Council considers directly related to the purposes of the organization. It also provides for permissive exemptions for some properties which are additional to statutory exemptions under Section 220, such as church halls or land surrounding places for public worship and privately run schools.

The *Community Charter* permits exemption from municipal taxes. Similar provisions in other taxing authority legislation extend the exemption to those levies.

Exemptions provided for in Section 224 are at the discretion of Council. There is no obligation to give the exemption.

Exemptions cannot be granted if the organization does not qualify under the *Community Charter*.

B. APPLICATION AND RESPONSIBILITY

Council is responsible for:

1. approving this policy
2. approving each tax exemption request annually

The Finance Department is responsible for:

1. receiving and processing all permissive tax exemption applications
2. reviewing individual applications for tax exemptions and making recommendations to Council

C. POLICY RATIONALE

This policy and associated evaluation categories and guidelines identify the services and organizations which are the most complementary extensions of municipal services, and for which the burden resulting from the exemption is a justifiable expense to the taxpayers of Town of Golden. Support is ideally directed towards services the Town would consider providing given adequate resources.

D. STATEMENTS OF POLICY

1. The following information will be considered when determining whether to grant a permissive tax exemption:
 - the principal use of the property, including the services offered
 - the need for the services
 - the availability of the services
 - other funding sources
 - the use of volunteers to deliver services
2. A permissive tax exemption may not be granted where:
 - the organization is unable to demonstrate a need for its services
 - the organization has made no effort to obtain other funding sources for provision of services
 - the organization does not make use of volunteers to provide services
3. Exemptions are based on the principal use of the property, not on the charitable service of the organization as a whole.
4. Exemptions can only be granted to the portion of a property that meets all the requirements of this policy. The exemption may apply to the whole or part of the taxable assessed value of land, improvements or both.
5. The total of all permissive tax exemptions approved in the current year for the subsequent tax year will not exceed 1.25% of the current year's total budgeted property tax requisition. The permissive tax exemption values will be calculated by using the current year's assessment multiplied by the current year's tax rates. In the case where the calculated permissive exemption values for the subsequent year exceed 1.25% of the current year's tax requisition, all permissive exemptions will be proportionately reduced.
6. Tax exemptions under section 224 will be considered every 2 years unless a bylaw specifies a longer term. The term cannot exceed ten years under section 224(4) (a) of the *Community Charter*. Applications received off cycle will be accepted and harmonized under the cap specified above and with the tax exemption cycle. All permissive tax exemptions must be renewed by application every two years on an approved form, including a copy of the organization's most recent financial statements. Exemption must not be assumed, even if obtained in a prior cycle.
7. Applications must be received by July 31st in each applicable year for exemptions that begin in the subsequent year. Applications received after the deadline or applications which do not include all required information may not be considered.

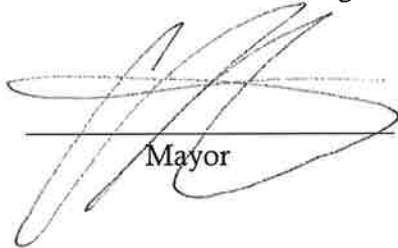
8. A tax exemption is similar in effect to a cash grant, and therefore is subject to budget considerations.
9. All recipients of tax exemptions from the Town of Golden are required to publicly acknowledge the exemption. Recipients must forward proof of the public acknowledgement to the Town of Golden.
10. The organization must justify the need for the services and may be required to make a presentation to Council.
11. The use of the property must be consistent with and in compliance with all applicable municipal policies, bylaws and legislation.
12. The organization must be seen to be working towards self-sufficiency by seeking funding from other sources.
13. The organization may be required to show evidence of ongoing, active volunteer involvement.
14. Only that part of the property used for non-profit activities will be considered for exemption. Commercial activities will be excluded. For clarity, society administration is considered part of the non-profit's program delivery.
15. Applicants must show evidence of a clear mandate and competent administration.
16. Applicants must not be in arrears with the Town.
17. Exemptions will not be granted for land held for future development or land greater than normally required for off street parking, buffer zones or to make a reasonably shaped parcel.
18. If the applicant leases the property, the applicant must provide the Town with a current lease. The lease must:
 - a. be for a 12 month calendar year (January to December) for the year of application;
 - b. require the lessee to pay the taxes directly to the Town; or
 - c. contain a clause confirming the permissive tax exemption is passed along to the lessee.

E. EVALUATION CATEGORIES

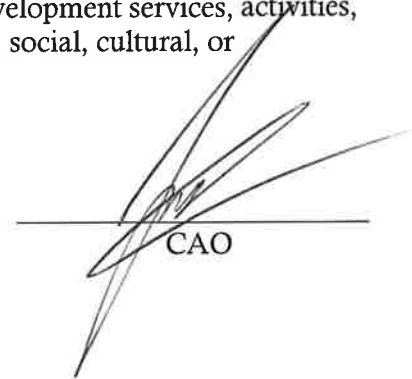
All applications must meet the description of at least one of the categories below:

1. **Special needs and supportive housing properties:** short term emergency or crisis protection for members of the community, supportive housing for people with special needs, halfway houses, transitional homes and group homes with supportive staff and programs

2. **Social service properties:** support services and programs to members of the community with special needs, who are in some way disadvantaged and need assistance in maximizing their quality of life
3. **Arts and Cultural facilities:** preparation and delivery of artistic and cultural events or exhibits to the public
4. **Educational facilities:** exemption will be equivalent to the percentage of provincial funding allotted based on Certificate of Group Classification issued by the Inspector of Independent Schools
5. **Athletic or recreational facilities:** provide space and equipment for the physical and mental enjoyment of the participants –
6. **Places of Worship**
 - a) facilities for public worship occupied by a religious organization as a tenant
 - b) land surrounding places for public worship; church halls and land surrounding them or other property attached and deemed necessary
7. **Affordable Housing:** non-market housing which is owned by and operated by non-profit incorporated housing societies
8. **Space for Community Development Organizations:** Applicant or lessee provides for broad economic, informational, social or community development services, activities, and benefits for the purposes of advancing the economic, social, cultural, or environmental well-being of the community.



Mayor



CAO