



City of Kamloops

Instructions for Permissive Property Tax Exemption for Non-profit Organizations - 2013

Deadline for Submission 2012 June 15

Instructions

Instructions as follows:

1. The following pages set out the Council Policy that is applied to non-profit organizations requesting property tax exemptions. Be sure to read the guidelines to ensure that your organization and your application meet the requirements.
2. You must provide financial statements for your organization that include a balance sheet and a statement of revenue and expenditure. The financial statements must be signed by two of the organizations directors. If your financial year-end was prior to 2011 December 31, we may request interim financial statements.

Financial statements must contain complete information for the organization including funding received from such sources as government employment grants, lottery funds, or the proceeds from bingos, casinos, or other fundraising events.

3. A budget for the year for which the tax exemption is requested (2013) must be submitted in a format consistent with your financial statements (income and expenditure).
4. All applications must be clear and legible as numerous copies are made for committee and Council purposes.
5. Return completed applications by the 2012 June 15 deadline to:

City of Kamloops
Revenue Division
7 Victoria Street West
Kamloops BC V2C 1A2

6. Inquiries may be directed to the Assistant Revenue and Taxation Manager 250-828-3459 or via email to dbregoliss@kamloops.ca.
7. Please ensure the following are attached to the application:
 - scale drawing;
 - 2012 operating budget;
 - 2013 operating budget; and
 - most recent financial statement.



CITY OF KAMLOOPS
APPLICATION

FOR TAX EXEMPTION FOR NON-PROFIT ORGANIZATIONS
FOR THE YEAR 2013 PURSUANT TO
SECTION 224 OF THE COMMUNITY CHARTER

SUBMISSION DEADLINE: 2012 JUNE 15

GENERAL INFORMATION

Name of Organization _____

Number of Years in Operation _____

Society Registration Number _____

Mailing Address _____ Kamloops, BC _____
(Postal Code)

Phone No. _____

Annual Report Filed with the Provincial Government?

Yes ___ No ___ Date of Report Filed: _____

Society Executive:

TITLE	NAME	PHONE NO.

Contact Person _____

Title _____

Address _____

Phone _____ Fax _____ e-mail _____

Please answer the following: (Please reference attachments, if additional space is required.)

- The exemption claimed under Section 224 of the *Community Charter* is pursuant to Subsection 2, clause (). (Please fill in relevant clause from Section 224(2) [see attached])

2. Details of the service to the community performed by your organization (provide a brief description of the major programs/services/benefits delivered by your organization and the main user groups).

3. Explain how your organization is a complementary extension of the City of Kamloops' services and programs.

4. How is your organization non-profit?

5. What fees are charged for admission and/or membership?

6. Property Information for Which Tax Exemption is Requested

<i>Folio #</i>	<i>Street Address</i>	<i>Legal Description</i>
(a)	<hr/>	<hr/>
(b)	<hr/>	<hr/>
(c)	<hr/>	<hr/>
(d)	<hr/>	<hr/>

7. Please prepare and attach an appropriate scale drawing showing the following:

- a) property boundaries and all dimensions;
- b) location and size of all buildings (if more than one building, number 1, 2, 3, etc.)
- c) location and size of parking lots and capacity;
- d) location and size of major landscaped areas; and
- e) location and size of undeveloped land.

8. For each building identified on your drawing, indicate the purpose and use(s) of the building:

Building 1:

Building 2:

Building 3:

Building 4:

9. Does anyone live in the building(s)? If yes:

a) How many people? _____

b) What is the square footage of the living area? _____

10. Does your organization receive any income from rental or use of the building(s), parking lot(s), or other portions of the land (s)?

Yes___

No___

If "yes", indicate the amount of annual income for each and the total revenue from this source:

<u>Income Source</u>	<u>Annual Income</u>	<u>Hours per Day or Days per Week</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

11. List all licences held by your organization (e.g. licences under the *Community Care Facility Act* or the *Hospital Act*).

12. Identify the number of persons:

a) Served by your organization annually. _____

b) Who are residents of the City of Kamloops. _____

13. Is the organization run by volunteers, paid staff, or a combination of both?

a) Please state the number of volunteers and volunteer hours worked per year.

b) Please state the number of paid staff and their titles.

14. Other information that may be pertinent to your application.

15. Has your organization previously received a permissive property tax exemption from the City of Kamloops? Please list the last three years received.

16. Has your organization received other grants in previous years from the City of Kamloops? Please indicate the year, type of grant, and amount for the past three years.

<u>Year</u>	<u>Type of Grant</u>	<u>Amount</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

17. List funding assistance and grants received from senior governments (provincial/federal), local governments (other than the City of Kamloops), crown agencies, and other funding agencies for the past three years.

<u>Name of Contributors</u>	<u>Year</u>	<u>Amount Received</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

18. Provide information on applications for grants recently (2011/2012) applied for.

<u>Agency</u>	<u>Type of Grant Requested</u>	<u>Amount</u>	<u>Status (Approved, Denied, Pending)</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

19. 2012 tax exemption from City of Kamloops
 Yes___
 Property assessed value \$ _____
 or No___

20. 2011 actual operating expenses \$ _____

21. 2012 annual operating budget of organization
 (Please attach a copy) \$ _____

22. 2013 annual operating budget of organization
 (Please attach a copy of projected income and expense statement in a format consistent with your financial statements.) \$ _____

**APPLICATIONS MUST BE ACCOMPANIED BY YOUR ORGANIZATION'S
 MOST RECENT AUDITED FINANCIAL STATEMENTS
 (INCLUDING A BALANCE SHEET AND INCOME STATEMENT)**

General authority for permissive exemptions

224 (1) A council may, by bylaw in accordance with this section, exempt land or improvements, or both, referred to in subsection (2) or (3) from taxation under section 197 (1) (a) [*municipal property taxes*], to the extent, for the period and subject to the conditions provided in the bylaw.

(2) Tax exemptions may be provided under this section for the following:

(a) land or improvements that

(i) are owned or held by a charitable, philanthropic or other not for profit corporation, and

(ii) the council considers are used for a purpose that is directly related to the purposes of the corporation;

(b) land or improvements that

(i) are owned or held by a municipality, regional district or other local authority, and

(ii) the council considers are used for a purpose of the local authority;

(c) land or improvements that the council considers would otherwise qualify for exemption under section 220 [*general statutory exemptions*] were it not for a secondary use;

(d) the interest of a public authority, local authority or any other corporation or organization in land or improvements that are used or occupied by the corporation or organization if

(i) the land or improvements are owned by a public authority or local authority, and

(ii) the land or improvements are used by the corporation or organization for a purpose in relation to which an exemption under this Division or Division 6 of this Part would apply or could be provided if the land or improvements were owned by that corporation or organization;

(e) the interest of a public authority, local authority or any other corporation or organization in land or improvements that are used or occupied by the corporation or organization if

(i) the land or improvements are owned by a person who is providing a municipal service under a partnering agreement,

(ii) an exemption under section 225 [*partnering and other special tax exemption authority*] would be available for the land or improvements in relation to the partnering agreement if they were used in relation to the service,

(iii) the partnering agreement expressly contemplates that the council may provide an exemption under this provision, and

(iv) the land or improvements are used by the corporation or organization for a purpose in relation to which an exemption under this Division or Division 6 of this Part would apply or could be provided if the land or improvements were owned by that corporation or organization;

(f) in relation to property that is exempt under section 220 (1) (h) [*buildings for public worship*],

(i) an area of land surrounding the exempt building,

(ii) a hall that the council considers is necessary to the exempt building and the land on which the hall stands, and

(iii) an area of land surrounding a hall that is exempt under subparagraph (ii);

(g) land or improvements used or occupied by a religious organization, as tenant or licensee, for the purpose of public worship or for the purposes of a hall that the council considers is necessary to land or improvements so used or occupied;

(h) in relation to property that is exempt under section 220 (1) (i) [*seniors' homes*], (j) [*hospitals*] or (l) [*private schools*], any area of land surrounding the exempt building;

(i) land or improvements owned or held by an athletic or service club or association and used as a public park or recreation ground or for public athletic or recreational purposes;

(j) land or improvements owned or held by a person or organization and operated as a private hospital licensed under the *Hospital Act* or an institution licensed under the *Community Care Facility Act*;

(k) land or improvements for which a grant has been made, after March 31, 1974, under the *Housing Construction (Elderly Citizens) Act* before its repeal.

(3) The authority under subsection (2) (e) and (g) to (j) is not subject to section 25 (1) [*prohibition against assistance to business*].

(4) Subject to subsection (5), a bylaw under this section

(a) must establish the term of the exemption, which may not be longer than 10 years,

(b) may only be adopted after notice of the proposed bylaw has been given in accordance with section 227 [*notice of permissive tax exemptions*], and

(c) does not apply to taxation in a calendar year unless it comes into force on or before October 31 in the preceding year.

(5) Subsection (4) (a) and (b) does not apply in relation to exemptions under subsection (2) (f) and (h).

(6) If only a portion of a parcel of land is exempt under this section, the bylaw under this section must include a description of the land that is satisfactory to the assessment commissioner.

(7) A bylaw under this section ceases to apply to property, the use or ownership of which no longer conforms to the conditions necessary to qualify for exemption and, after this, the property is liable to taxation.



City of Kamloops

COUNCIL POLICY

SUBJECT:	PERMISSIVE PROPERTY TAX EXEMPTIONS FOR NON-PROFIT ORGANIZATIONS	NO. GGL-22
FUNCTION:	GENERAL GOVERNMENT - LEGISLATIVE	
DATE:	2005 APRIL 26	PAGE 1 OF 3

Permissive property tax exemptions must be passed by by-law prior to October 31 for the following taxation year. This Policy is to establish guidelines to provide consistent and equal consideration for all applicants.

There is no obligation for Council to grant a permissive tax exemption.

Eligibility Criteria

In addition to the provisions provided in the *Community Charter*, not-for-profit organizations must own and occupy the property for which the permissive tax application is being made.

Applications will **NOT** be considered that:

1. Conduct any retail operation as an independent business on commercial property that could compete with privately owned facilities providing a similar service; or
2. Provide liquor and/or meal services as their primary function; or
3. Request exemption on a parcel that is used exclusively for parking, unless it is in direct relationship to the organization's principal use; or
4. Provide rental housing with the exception of those properties that are statutorily exempt under Section 220(1)(i) of the *Community Charter* (a building that was constructed or reconstructed with the assistance of aid granted by the provincial government after January 1, 1947, but before April 1, 1974, and that is owned and used exclusively without profit by a corporation to provide homes for elderly citizens, together with the land on which the building stands).

Statutorily Exempt Properties

With reference to Section 4 (above), the statutorily exempt properties are:

- P.A. and J.M. Gaglardi Senior Citizens Housing (Folio No. 01-00690-000) at 174 St. Paul Street;
- Thrupp Manor Association (Folio No. 12-07549-000) at 591 Royal Avenue; and
- Provincial Rental Housing Corporation (Folio No. 04-03307-000) at 1100 Glenfair Drive.



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If the seniors' housing facilities on any of these statutorily exempt properties are moved and the properties upon which the new seniors' housing facilities are situated continue to be owned and used exclusively without profit by the same not-for-profit organization, the land and improvements upon and within which the new seniors' housing facilities are situated will continue to be exempt from taxation pursuant to Section 224 of the *Community Charter* (permissive tax exemptions) but only to the extent that such land and improvements are dedicated exclusively to the provision of seniors' housing.

Application Process

- Council will consider applications for permissive tax exemptions annually.
- The opportunity to apply will be advertised in a local newspaper a minimum of two times and on the City's web page. Letters will be mailed to tax exemption recipients whose exemption duration is expiring.
- Applications must be submitted to the Revenue Division, Attention Assistant Revenue and Taxation Manager, using the prescribed application form, by June 15 annually.
- Eligible applications will be referred to the Social Planning Council for comment on the community aspect of each use.
- The organization should be prepared to support its application in person, should it be requested to do so.
- Eligible organizations may be considered for tax exemptions to a maximum of three years. During the three-year period, updated information is not necessary unless significant changes, financial or otherwise, occur.
- City-owned property under contract to non-profit groups will be included in a separate Permissive Tax Exemption By-law.

Funding

- Council will determine a fixed total amount of revenue to be foregone by permissive tax exemptions for non-profit organizations for a three-year period, to coincide with the three year application cycle. The fixed amount (funding cap) will be calculated on the average non-profit tax exemptions (excluding city-owned property) granted over the past five years.



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- If the total of non-profit approved applications exceeds the established funding cap, all groups will receive the fixed percentage exemption of their total property assessment for the three-year period.

New Applications

- All new qualifying applications (including a new parcel from an existing exempt organization) will be subject to the funding cap limitations and will have a three year phase in period with the amount of eligible tax exemption increasing by one-third each year.

Amended:

2009 October 20