



COUNCIL REPORT

To: Paul Gipps, CAO

Date: October 27, 2020

From: Lisa Siavashi, Financial Services Manager

Bylaw No. 0283

Subject: **2021 Permissive Tax Exemption Bylaw No. 0283, 2020 Adoption**

RECOMMENDATION

THAT Council adopt “Permissive Tax Exemption Bylaw No. 0283, 2020”.

BACKGROUND

At the October 13th, 2020 regular meeting, Council gave three readings to Bylaw No. 0283, 2020. This bylaw is now before Council for consideration of adoption.

If adopted, Bylaw No. 0283 would contain full exemptions for 14 places of worship and private schools, full or partial exemptions for 6 not-for-profit organizations and full exemptions for 2 public/local authorities.

LEGISLATIVE REQUIREMENTS

In accordance with Section 225 (7) of the *Community Charter*, Council may, by bylaw adopted on or before October 31, 2020, exempt eligible properties from taxation for 2021. The bylaw must establish the term of the exemption and may only be adopted after public notice of the proposed bylaw has been given. Notice of the intention to proceed with Bylaw No. 0283 was published in the WestK News newspaper on October 14th and 21st, 2020.

The *Community Charter*, in Sections 220 through 226, provides for both “statutory” and “permissive” tax exemptions to be applicable to a variety of property types such as federal, provincial and municipally owned properties, hospitals, schools, churches. The “statutory” exemptions are managed by BC Assessment using the Charter and supporting regulations as the basis for including the exemptions in the annual assessment roll. “Permissive” exemptions, however, are the jurisdiction of municipal councils and are dealt with through an annual application and bylaw process.

FINANCIAL IMPLICATIONS

Should Council choose to adopt the "Property Tax Exemption" as presented, the estimated value of property taxes exempted through permissive exemptions is:

a) City of West Kelowna taxes for 2021 \$ 112,049

b) Other tax levies for 2021:

School Tax	46,888
Hospital	9,667
Regional District	9,877
Other	<u>9,412</u>
	<u>\$ 75,844</u>
Total:	<u>\$ 187,893</u>

The respective amounts for the 2020 taxation year were:

As advertised:

a) City of West Kelowna 2020 taxes \$ 106,233

b) Other tax levies in 2020:

School Tax	68,960
Hospital	9,054
Regional District	9,408
Other	<u>8,966</u>
	<u>\$ 96,388</u>
Total:	<u>\$ 202,621</u>

Adjusted amounts after COVID-19 changes:

a) City of West Kelowna 2020 taxes \$ 108,785

b) Other tax levies in 2020:

School Tax	23,232
Hospital	9,358
Regional District	9,561
Other	<u>9,116</u>
	<u>\$ 51,267</u>
Total:	<u>\$ 160,052</u>

(Increases in the adjusted amounts levied are due to increases in property assessments as the actual property tax increase for the City of West Kelowna was 2.8% and not the 3% estimated at the time the permissive tax exemptions were advertised in October 2019.)

COUNCIL REPORT / RESOLUTION HISTORY

Date	Report Topic / Resolution	Resolution No.
October 13 th , 2020	THAT Council give first, second and third reading to “Property Tax Exemption Bylaw No. 0283, 2020; and THAT notice of intention to proceed with Bylaw No. 0283 be published on the 14th and 21st day of October 2020 in the WestK News newspaper, circulating in the City of West Kelowna, pursuant to Section 94 of the <i>Community Charter</i> .	C259/20

REVIEWED BY

Warren Everton, Director of Finance/CFO

APPROVED FOR THE AGENDA BY

Paul Gipps, CAO

Powerpoint: Yes No

Attachments:

1. Permissive Tax Exemption Bylaw No. 0283, 2020