

## ADMINISTRATIVE REPORT

**TO:** Board of Directors

**FROM:** J. Zaffino, Chief Administrative Officer

**DATE:** October 17, 2024

**RE:** **Permissive Tax Exemption**

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### **Administrative Recommendation:**

THAT Bylaw No. 3096, 2024, being a bylaw of the Regional District of Okanagan-Similkameen to exempt specific properties from property taxation be read a first, second and third time and be adopted.

### **Reference:**

Local Government Act Section 391

### **Background:**

The Board, at its discretion, may grant an exemption to eligible organizations from taxes payable to the RDOS for the upcoming tax year. Organizations within a member municipality's taxing jurisdiction make application for property tax exemption directly to the member municipality.

Annually, the RDOS invites qualifying non-profit organizations to apply. Notifications of the exemption application process and July 31 deadline are advertised in local area newspapers in early June and again in early July.

Historically the Board has relied upon the amount of demonstrative benefits each exempted group provides to the community. For example, due to the vast amount of land that a cross-country ski club uses, the amount of taxes on the land would make the fees for cross-country skiing too expensive for everyone wishing to participate in this activity. The golf courses are partial exemptions to offset the public access portions of the fees and all three are municipally owned.

### **Analysis:**

Estimated 2025 taxes are based on 2024 assessment data and tax rates.

All exemptions whether statutory or permissive are reviewed by BC Assessment who make the final determination.

### Breakdown by Electoral Area

	2024	2025
Electoral Area "C"	\$ 19,771	\$ 19,169
Electoral Area "D"	\$ 16,407	\$ 13,062
Electoral Area "E"	\$ 2,230	\$ 2,133
Electoral Area "F"	\$ 2,714	\$ 2,642
Electoral Area "G"	\$ 4,479	\$ 4,540
Electoral Area "H"	\$ 4,770	\$ 3,635
Electoral Area "I"	\$ 976	\$ 1,162
	<u>\$ 51,348</u>	<u>\$ 46,342</u>

### 2025 Property Tax Exemption Requests

Organization	Area	Civic Address	2024 RDOS Est Tax Exemption	2025 RDOS Est Taxes Based on 2024 Assessments	Taxable amount	2025 RDOS Est Tax Exempt Portion
Fairview Mountain Golf Club Society	C	933 Old Golf Course Rd.	\$ 16,997	\$ 16,607	\$ 3,321	\$ 13,286
Okanagan Gleaners*	C	507 Road 3	\$ -	\$ 2,482	\$ 496	\$ 1,986
South Okanagan Sportsmen Association	C	398 Sportsmen's Bowl Rd.	\$ 394	\$ 431		\$ 431
South Okanagan Sportsmen Association	C	352 Sportsmen's Bowl Rd.	\$ 1,467	\$ 2,451		\$ 2,451
The Natures Trust	C	Island Way Rd. Oliver Rural	\$ 914	\$ 1,015		\$ 1,015
OK Falls Heritage & Museum Society	D	1145 Main St.	\$ 4,654	\$ 4,799		\$ 4,799
Okanagan Falls United Church**	D	1108 Willow St.	\$ 673	\$ -		\$ -
South Skaha Housing Society	D	5081 - 8th Avenue	\$ 8,263	\$ 8,263		\$ 8,263
Royal Canadian Legion OK Falls	D	5009 Veterans Way	\$ 2,817	\$ -		\$ -
Naramata Museum (RDOS Ownership)	E	214 Robinson Ave.	\$ 2,230	\$ 2,133		\$ 2,133
Penticton Shooting Sports Association	F	1767 Hwy 97	\$ 2,714	\$ 2,642		\$ 2,642
Hedley Sports Association	G	Fourth St.	\$ 963	\$ 912		\$ 912
Hedley Sports Association	G	1396 Scott Ave.	\$ 220	\$ 236		\$ 236
Keremeos Cawston Sportsmen Association	G	2486 Upper Bench Rd.	\$ 2,710	\$ 2,779		\$ 2,779
Nickel Plate X-Country Ski Club	G	Penticton Rural	\$ 586	\$ 613		\$ 613
Princeton Golf Club	H	350 Highway 3	\$ 4,770	\$ 4,543	\$ 909	\$ 3,635
City of Penticton - leased to Golf Course	I	600 Comox St.	\$ 976	\$ 1,162		\$ 1,162
			<u>\$ 51,348</u>	<u>\$ 51,069</u>	<u>\$ 4,727</u>	<u>\$ 46,342</u>

\* Okanagan Gleaners - new applicant this year. There is a house on the property that is being rented out for profit. An estimate of 80% of the property is being used for not-for-profit activities by the applicant.

\*\* Okanagan Falls United Church was included in 2024 but meets the criteria for the statutory tax exemptions provided by the provincial legislation. Statutory tax exemptions are directly assigned by BC Assessment.

\*\*\* Keremeos Elks Lodge and Royal Canadian Legion OK Falls did not submit an application.

The above table is the approximate amount of property taxes foregone by exemption.

**Respectfully submitted:**

*"Katharina Ernst"*

K. Ernst, Accountant II Financial Analyst

**Endorsed by:**

*"Noelle Evans-MacEwan, CA, CPA"*

Noelle Evans-MacEwan, Chief Financial Officer