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**REPORT TO THE ELECTORAL AREA SERVICES COMMITTEE
MEETING OF WEDNESDAY, 01 SEPTEMBER 2010**

SUBJECT Permissive Tax Exemption – Pender Island and Galiano Golf & Country Clubs

PURPOSE/ISSUE

The purpose of this report is to consider a request by the Pender Island Golf & Country Club and Galiano Golf and Country Club for a permissive tax exemption.

HISTORY/BACKGROUND

Under Section 809 (4) (a) of the *Local Government Act* the Capital Regional District may provide tax exemption for lands or improvements in an electoral area held by an athletic or service organization and used principally for public recreation purposes. Section 809 provides that prior to October 31st of any year, the CRD Board, by bylaw adopted by two-thirds of the votes cast, may exempt from taxation certain lands and improvements or both for the next calendar year.

Prior to 1999, those properties were granted an automatic exemption under the Taxation (Rural) Act. In 1999, the administration of this type of community use tax exemption reverted to Regional Districts.

Since the year 1999 the following two properties have been granted a permissive exemption from taxation:

1. Pender Island Golf & Country Club
2305 Otter Bay Road
Pender Island, B.C.
2. Galiano Golf and Country Club
24 St. Andrews Crescent
Galiano, B.C.

ALTERNATIVES

1. That Bylaw No. 3638, "Tax Exemption (Permissive) Bylaw, 2009" be introduced and read a first time, read a second time, read a third time and adopted.
2. That the properties not be exempt from taxation for the year 2011.

IMPLICATIONS

The estimated total property taxes for 2011 on the two properties would be \$16,435. Of this total, \$3,890 represents CRD charges, \$675 for CRHD, with the balance of \$11,870 relating to other levels of government.

Past practice has been to grant the two properties an exemption based on community recreational use. Costs would increase significantly for the two properties, as would the need to increase fees charged to users if the exemption is not granted.

SUMMARY/CONCLUSIONS

Both properties have applied for (see attached letters) and been granted a permissive tax exemption since 1999. The two entities qualify for exemption under Section 809 of the *Local Government Act* and their request is supported by the Director for the Southern Gulf Islands Electoral Area.

RECOMMENDATION

That Bylaw No. 3638, “Tax Exemption (Permissive) Bylaw, 2009” be introduced and read a first time, read a second time, read a third time and adopted.

Rita M. Estock, DBusM, FCGA
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Diana E. Lokken, Dip Bus Admin, CGA
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Kelly Daniels
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Attachments (3):
Correspondence (2)
Bylaw 3638

COMMENTS: