

NOVEMBER 26, 1965

A special meeting of the Municipal Council was held in the Council Chambers, Municipal Hall, 4545 East Grandview-Douglas Highway, Burnaby 2, B.C., on Friday, November 26, 1965, at 4:45 p.m.

PRESENT: Reeve Emmott in the Chair;
Councillors Blair, Dailly,
Drummond and Herd

ABSENT: Councillors Cafferky,
Corsbie, Edwards and Hicks

MOVED BY COUNCILLOR BLAIR, SECONDED BY COUNCILLOR HERD:

"That the Council do now resolve into Committee of the Whole to consider and report on "BURNABY BUSINESS TAX BY-LAW 1965, AMENDMENT BY-LAW NO. 1, 1965"."

CARRIED UNANIMOUSLY

Municipal Manager reviewed the considerations given by Council at its last meeting with respect to the By-Law at hand.

He stated that he had had a meeting with the Municipal Assessor and Municipal Treasurer subsequent to that last meeting and, as a result, a report was prepared by the Assessor in which the following comments were expressed in regard to certain facets of the By-Law:

- (1) Apartments - Since a legal opinion has been rendered indicating that the owner of an apartment house does not "occupy or use" the real property (even though he may be carrying on a resident business within the meaning of that term), it would appear that apartments should remain in the List of Exemptions that are included in Schedule "A" of the By-Law now under consideration.
- (2) Auto Trailer Court Living Quarters - The wording in the original by-law was "Auto Trailer Court" and it is proposed to expand the wording to read "Auto Trailer Court Living Quarters" in order to enable the administrative and general area of an Auto Trailer Court being valued for Business Tax purposes. All elements of an Auto Trailer Court could be valued quite legally for such purposes but it is felt, to maintain an equity of taxation in neighbouring municipal jurisdictions, only the living quarters associated with Auto Trailer Courts should be taxed. It is, of course, possible to increase trade licence fees. This would overcome certain administrative problems in respect of levying a Business Tax on the living quarters sections.
- (3) Auto Court Living Quarters - Same remarks as made for Item (2).
- (4) Concession Stands or other endeavours operated exclusively by the Canadian National Institute for the Blind - This section was broadened to include the possibility of endeavours other than Concession Stands being carried on by the C.N.I.B.
- (8) Lodging House, including Hotel and Motel Rooms and Rooming House - the same remarks expressed in connection with Item (2) are applicable here.

Municipal Manager stated that he had discussed with the Department of Municipal Affairs the anomaly which exists when cafes and the like with liquor licences are exempted from paying a Business Tax whereas those without such licences are not. He commented that it was likely an amendment to the Municipal Act would be introduced next year which would resolve this anomaly.

- (10) Private Hospitals and Nursing Homes - The same remarks expressed under Item (2) are applicable here. There is not too much sympathy for this proposed exemption other than the fact that such operations are exempted from Business Tax elsewhere in the Province. Administrative problems in establishing a rental value in these instances are formidable but not insurmountable.

Municipal Manager stated that Private Hospitals have recently applied to the Provincial Government for an increase in the daily rates which they charge for their services. Our trades licence fee for Private Hospitals is \$20.00 per annum, which is considerably lower than that charged by the City of Vancouver.

It was felt, rather than delete "Private Hospitals" from Schedule "A" of the By-Law at hand, the Trades Licence By-Law should be amended so that virtually the same provisions contained in the relative by-law in Vancouver are applied in Burnaby.

MOVED BY COUNCILLOR HERD, SECONDED BY COUNCILLOR DAILLY:

"That "BURNABY TRADES LICENCE BY-LAW 1950" be amended to incorporate virtually the same provisions as contained in the "City of Vancouver Licence By-Law No. 2944" with respect to Private Hospitals and Nursing Homes, on the understanding that discussions will be held by all municipalities in the Lower Mainland involved in the subject matter during the next year to determine the merits of imposing a Business Tax on this type of enterprise."

CARRIED UNANIMOUSLY

- (11) Non-profit Societies incorporated under the Societies Act - The phrase "non-profit" was inserted in this amendment because it appears certain firms such as the Fraser Valley Milk Producers Association may be incorporated under the Societies Act but they are attempting to make a profit or gain and should be deemed a resident business for the purpose of the By-Law.
- (12) Utility Companies (only those portions of the real property or buildings occupied or used solely for the purposes of the generation, transmission, or distribution of electricity, or of telephonic communication, or of the transportation or distribution of water, or of the manufacture, transportation, or distribution of gas, or of the transmission of closed-circuit television) - This section was broadened to include the terminology used in the current Act in order to clarify the fact utility companies are not wholly exempt from the Business Tax Levy.
- (a) Oil Refineries - One possibility for additional revenue from Oil Refineries is a legislative change in the percentage of taxable machinery assessment from 1% to some greater percentage.

Municipal Manager stated that this is the only opportunity available municipalities but, if such a legislative change was made, the Oil Refineries could claim it was a discriminatory tax inasmuch as the greater percentage would only be applied to them and not to all others who are liable for a tax on machinery assessments.

The Municipal Manager was instructed to make overtures to the Provincial Government for the necessary legislative change to increase the percentage of taxable machinery assessment from 1% to some greater percentage on Oil Refineries.

- (b) Cemeteries - The removal from the Business Tax Roll of the mausoleum owned by Forest Lawn Cemetery Company, ordered by the 1965 Local Court of Revision, resulted in a loss of Business Tax revenue amounting to \$5,200.00. In view of the decision rendered in March this year with respect to a case between British Columbia Forest Products Limited and the Corporation of the District of North Cowichan, it has been decided to restore the item deleted by the 1965 Local Court of Revision to the Business Tax Roll of this Corporation for 1966. The Judge in the case, Mr. Justice Craig Munro, decided that, even if certain things are normally not rentable at any price, one must determine the "notional" annual rental value for the purpose of the Business Tax if a resident business is indeed being conducted.

Municipal Treasurer pointed out that the Cemetery Company pays no land taxes on the mausoleum. He also mentioned that every time a grave plot is sold, the Company must deposit a sum with the Provincial Government but it is not required to do so when a crypt is sold. He added that cemeteries do not pay taxes on unsold land but they are liable for Local Improvement levies.

- (c) Rest Homes, Private Hospitals, Hotels, Motels, Auto Camps and Trailer Courts - A survey indicated that the rental value of the above items in Burnaby is \$540,000.00 and the Business Tax was therefore \$35,000.00 for the current year.

MOVED BY COUNCILLOR DAILLY, SECONDED BY COUNCILLOR BLAIR:
"That the Committee now rise and report the By-Law complete."

CARRIED UNANIMOUSLY

THE COUNCIL RECONVENED.

MOVED BY COUNCILLOR DAILLY, SECONDED BY COUNCILLOR BLAIR:
"That the report of the Committee be now adopted."

CARRIED UNANIMOUSLY

MOVED BY COUNCILLOR DAILLY, SECONDED BY COUNCILLOR BLAIR:
"That "BURNABY BUSINESS TAX BY-LAW 1965, AMENDMENT BY-LAW NO. 1, 1965" be now read a Third Time."

CARRIED UNANIMOUSLY

Municipal Manager mentioned that there are a number of unpaid Business Tax accounts and that appropriate action would be taken by the Corporation to recover the amounts involved.

For the information of Council, he stated that the Corporation sends the original notice of the Business Tax, then a final one, and then the person or firm concerned is visited by one of the Licence Inspectors and reminded of the unpaid account.

The meeting then adjourned at 5:40 p.m.

Confirmed:

REEVE

Certified correct:

CLERK