

ITEM 13
MANAGER'S REPORT NO. 75
COUNCIL MEETING 84/11/26

LETTER FROM MRS. KATHY HANDLEY, PIED PIPER PARENT PARTICIPATION PRE-SCHOOL WHICH APPEARED ON THE AGENDA FOR THE 1984 NOVEMBER 19 MEETING OF COUNCIL (ITEM 4h)

TAXATION OF SCHOOL BOARD PROPERTY

MUNICIPAL MANAGER'S RECOMMENDATION:

1. THAT the recommendation of the Director Finance be adopted.

* * * * *

1984 November 22
File: S9-1

TO: MUNICIPAL MANAGER
FROM: DIRECTOR FINANCE
RE: TAXATION OF SCHOOL BOARD PROPERTY

RECOMMENDATIONS

1. THAT a copy of this report be sent to Mrs. Kathy Handley, Pied Piper Parent Participation Pre-school, 9170 Wilberforce Street, Burnaby, V3N 4C6.

SUMMARY

This report capsulizes and updates action to date regarding taxation of leased School Board property and tenant's ineligibility to qualify for tax exemption in 1985 under the existing legislation.

REPORT

1. Introduction

At the meeting 1984 November 19, Council received correspondence from the Pied Piper Parent Participation Pre-school, requesting exemption from taxation of their pre-school centre which is operated in facilities leased from the Burnaby School Board at the Armstrong Avenue School, 8757 Armstrong Avenue, Burnaby. Included with the correspondence was a copy of a letter to the Minister of Finance requesting that the deadline for granting exemption from taxation pursuant to Section 400 of the Municipal Act be extended beyond 1984 August 31 to enable them to qualify for property tax exemption in 1985.

2. Background

On 1984 October 15, Council received Item No. 4, Report No. 64 as information that the existing legislation requires the B.C. Assessment Authority to place School Board properties that are leased to community and volunteer organizations on the Assessment Roll for 1985. Further, it was pointed out that the statutory deadline for Council to consider the granting of tax exemption had expired prior to the Assessment notice being mailed to the occupants of these properties, and that the permissive section of the Municipal Act (Section 400) is inconsistent in the eligibility for organizations to qualify for exemption. These inconsistencies have been brought to the attention of the Ministry of Municipal Affairs and they informed us that they will be dealing with the issue. Also, the School Board has communicated its' concerns to the Ministry of Education, Finance and Municipal Affairs, and the three Burnaby M.L.A.'s.

On 1984 November 05, Council received Item No. 8, Report No. 70, and resolved that U.B.C.M. Executive should take early action with the appropriate Provincial Ministries to resolve the problems stemming from taxation of School Board tenants.

ITEM	13
MANAGER'S REPORT NO.	75
COUNCIL MEETING	84/11/26

3. Tax Exemption

The application by Pied Piper Pre-school for exemption from taxes is submitted pursuant to Section 400 of the Municipal Act.

Section 400 (1) "Prior to August 31 in any year, the Council may, by by-law adopted by two-thirds of its members, exempt from taxation under Section 273 (a), (b) and (c) for the next calendar year or with the Minister's approval and the accent of the electors for a period not exceeding 10 years, land, improvements or both,"

(9.....an institution licenced under the community care facility act."

In this regard the organization is a Provincially licenced community care facility providing pre-school services and could therefore be eligible for exemption under the provision of Section 400(1). However, unless the Provincial government enacts new legislation no exemption can be granted for 1985.

The taxation of properties leased from the School Board, the matter of the expired deadline for granting exemptions to qualifying tenants, and the problems of inconsistency with the existing legislation have been discussed with Mrs. Handley. Copies of Item No. 4, Report No. 64, 1984 October 15 and Item No. 8, Report No. 70, 1984 November 05 have been sent to her for informational purposes. It was agreed that we will keep her informed as to future developments. On the other hand Mrs. Handley advises that they have made application to appeal their 1985 assessment to the Court of Revision.

4. Action Taken

The Executive Director of the U.B.C.M. has informed us that the U.B.C.M. Executive, is scheduled to meet with the Ministry of Municipal Affairs for Friday, 1984 November 23 to discuss this matter.

There are various ways in which the Province may choose to resolve this issue. However, if the solution is to provide for permissive exemption whereby Council would determine the extent to which such exemptions are to be granted on an annual basis, then we propose to follow the procedures which are in place for processing the current exemptions, that is, application from a qualifying organization submitted for Council's consideration and accompanied by a staff report. To deal with exemptions for 1985 new legislation must include retroactive provisions.

Council will be kept informed as the issue evolves.

Submitted for the information of Council.



Howard Karras
DIRECTOR FINANCE