



REQUEST FOR DECISION

To: Mayor & Members of Council

Title: 2026, 2027 and 2028 Permissive Tax Exemption Bylaw No. 4735

Date: October 14, 2025

Motion for Consideration:

THAT: the bylaw entitled City of Salmon Arm 2026, 2027 and 2028 Permissive Tax Exemption Bylaw No. 4735 be read a first and second time.

Background:

As approved by Council, permissive tax exemptions are only required every three (3) years unless there are significant changes in the requesting organization (i.e. financial, dissolution, transfer of assets to another body, etc.). As a result, new permissive tax exemption applications were received this year for the taxation years 2026, 2027 and 2028.

Pursuant to Section 224 of the *Community Charter*, adoption of this bylaw will exempt the subject properties from not only general municipal tax in the amount of \$849,433, but also, specified area and parcel taxes in the amount of \$14,225 and taxes levied by other governments in the amount of \$483,993 (i.e. School, Regional District, Regional Hospital, Library, MFA and BCAA). The City is still responsible for payment of the exempted taxes levied by other governments and the remaining tax base must make up this difference.

It is important to note that statutory exemptions (legislated pursuant to the *Community Charter*) allow churches and the property they sit on, an automatic, or statutory exemption. Council has historically granted a permissive tax exemption to churches for the remaining property of up to 2 acres. For Societies, Senior Facilities and Sports Clubs, Council has historically permissively exempted all land and improvements, provided they are owned by a charitable, philanthropic or other not-for-profit organization and are used for the purpose that is directly related to the core activities of the organization.

The general municipal tax exemption amount of \$849,433 represents approximately 3.56% of the City's general municipal tax levy as follows:

Group	Exemption (\$)
Churches (*note)	44,240
Non-Profit Societies	467,272
Senior Centres	12,845
Sports Clubs	325,076
Total	849,433

(*Note: Estimate that 50% is a permissive exemption, the remainder is statutorily exempt)

Legislative authority / plans / reports:

	Official Community Plan		Master Plan
X	Community Charter/LGA		Other
	Bylaw/Policy		Corporate Strategic Plan
	Zoning Bylaw		2025-2029 Financial Plan
			Long Term Financial Plan

In accordance with Section 224 of the *Community Charter*, Council has the authority to set the criteria to which tax exemptions are granted and the associated amount. Permissive tax exemptions vary widely throughout the province depending on each community’s philosophies and economic conditions.

Pursuant to Section 227 of the *Community Charter*, the City of Salmon Arm is required to advertise all properties being considered for a permissive tax exemption and the value of said exemptions. As such, advertisements will be placed in the Salmon Arm Observer on October 16 and 23, 2025.

Pursuant to *Community Charter* requirements, this bylaw must be adopted by October 31, 2025 to be in effect for the 2026 tax year.

Financial Considerations:

1. New application for consideration:

- Shuswap Volunteer Search & Rescue (Roll 01010.052)
Civic Address: 4871 46 Avenue SE
 - This applicant meets all requirements of the Policy and are exempt under s. 224(2)(a) of the *Community Charter*. They are a registered society under the *BC Societies Act* and their primary purpose is volunteers conducting search and rescue operations, assisting requesting agencies and supporting civil emergency response.
 - Estimated 2026 permissive tax exemption value: \$20,595 (General Municipal: \$13,645 and Other Governments: \$6,950).

2. Applications for further review:

Upon reviewing the submitted applications, it was noted that some applicants did not fully meet the requirements outlined in Permissive Tax Exemption Policy No. 7.15. These applicants were contacted for additional information; however, not all provided the necessary documentation. The list of applications requiring further review is found in Attachment 1.

3. Application to receive less than a 3-year exemption:

- Living Waters Community Church (Roll 06526.015)
Civic Address: 391 Hudson Avenue NE
 - In accordance with the *Community Charter* s. 224(2)(g), land or improvements used or occupied by a religious organization, as tenant or licensee, for the purpose of public worship or for the purposes of a hall that the council considers is necessary to land or improvements so used or occupied are eligible for a permissive tax exemption. The current lease agreement for Living Waters Community Church as a

tenant at 391 Hudson Avenue NE is set to expire on November 30, 2026. For this reason, Bylaw No. 4735 has been prepared to include the Lakeside Community Church for a permissive tax exemption for two (2) years. Following this, the Church can apply for 2028 assuming a new lease is signed.

4. Late applications for consideration:

Applications were due July 31, 2025. The following applications have been included in Bylaw No. 4735. Should Council determine that these applicants are not eligible for a Permissive Tax Exemption, their applications will be removed accordingly.

Organization	Roll	Civic Address	Est. 2026 PTE Value (\$)	Date Submitted
Salmon Arm Masonic Holding Society	06693.000	270 Alexander Street NE	General: 4,132 Other: 2,108 Total: 6,240	Sep 29, 2025
Royal Canadian Legion Branch 62	06836.006	150 Lakeshore Drive NW	General: 12,362 Other: 5,422 Total: 17,784	Sep 29, 2025
Canoe United Church <i>*Note: They did not meet Requirement 5 of the Policy – see attached table*</i>	04178.000	6861 50 Street NE	General: 649 Other: 673 Total: 1,322	Oct 2, 2025

Note: The new application, the applications for further review, the application to receive less than a 3-year exemption and the late applications have all been included in Bylaw No. 4735. Please refer to the Alternatives & Implications section below for options should Council wish to amend the bylaw or remove any of these applications.

5. Removed application – **no action required:**

- St. Andrews Presbyterian Church – Parking Lot (Roll 01456.007)
Civic Address: 1901 9 Ave NE
 - BC Assessment is not applying the permissive tax exemption to this property because vacant parcels, even if owned by a religious organization for their parking or otherwise, do not qualify for an exemption under s. 224(2)(f) of the *Community Charter*. For the exemption to apply, the property must qualify for an exemption under s. 220(1)(h) of the *Community Charter*. As this vacant folio does not qualify for a statutory exemption under s. 220(1)(h), BC Assessment cannot apply a permissive tax exemption.

Alternatives & Implications

Permissive tax exemptions are at the discretion of Council. There is no obligation to give an exemption. Council may, at its discretion, reject any or all applications brought forward for consideration in any given year.

Council may:

- **Approve the bylaw as presented**, including all applicants listed.
- **Remove specific applicants** from the bylaw if Council determines they do not meet the criteria outlined in Policy No. 7.15. If Council wishes to remove any of the following, an amendment to the bylaw would be required:
 - **New applicant:**

- Shuswap Volunteer Search & Rescue
 - **Applications for further review** (Attachment 1):
 - Little Mountain Bible Chapel
 - Salmon Arm Horseshoe Club
 - Church of Jesus Christ of Latter-day Saints in Canada
 - Canoe United Church
 - **Late applicants:**
 - Salmon Arm Masonic Holding Society
 - Royal Canadian Legion Branch 62
 - Canoe United Church
- **Amend the duration** of any exemption (e.g., grant a 1-year exemption instead of 3 years).
 - Specifically, if Council wishes to change the proposed 2-year exemption for Living Waters Community Church, an amendment to the bylaw would be required.

Communication:

Following adoption, the bylaw would be forwarded to BC Assessment prior to October 31, 2025. In addition, a letter will be provided to all applicants advising them of Council's decision.

Prepared by: Manager of Finance
Reviewed by: Chief Financial Officer
Approved by: Chief Administrative Officer

Attachments:

- Applications for Further Review
- Permissive Tax Exemption Bylaw No. 4735
- Policy No. 7.15 - Permissive Tax Exemption