

No. 28

2nd Session, 15th Legislature, Alberta
13 Elizabeth II

BILL 28

A Bill to Provide for the Exemption from Municipal
Assessment and Taxation of Properties used for
certain Benevolent Purposes

HON. MR. HOOKE

Explanatory Note

General. Over the last 60 years the Legislature has, by private Act, granted exemptions from municipal assessment and taxation to various benevolent organizations. At present there are over 77 such Acts on the statute roll. Applications for such Acts have increased enormously in the last few years because of the effect of The Municipal and Provincial Properties Valuation Act and the school foundation program. This Bill will provide a procedure for obtaining exemptions without the necessity of petitioning for a private Act.

2. Definitions.

3. This Act will not affect exemptions that presently exist under The Assessment Act, 1960, or The City Act.

4. (1) Who may apply for an exemption.

(2) Reapplication when original application rejected.

BILL

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An Act to Provide for the Exemption from Municipal
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certain Benevolent Purposes

(Assented to _____, 1965)

HER MAJESTY, by and with the advice and consent of
the Legislative Assembly of the Province of Alberta,
enacts as follows:

1. This Act may be cited as "*The Municipal Tax Exemption Act*".

2. In this Act,

- (a) "benevolent purpose" means any of the purposes mentioned in subsection (1) of section 4;
- (b) "Board" means the Local Authorities Board;
- (c) "Minister" means the Minister of Municipal Affairs;
- (d) "municipality" means a city, town, new town, village, county, municipal district, improvement district or special area;
- (e) "non-profit organization" means an organization, whether or not incorporated, all the resources of which are devoted to benevolent purposes and no part of the income or profits of which are payable to or otherwise available for the personal benefit of any proprietor, member or shareholder;
- (f) "property" means land and improvements, or either.

3. The exemptions from assessment and taxation that may be granted under this Act are in addition to the exemptions from assessment and taxation that are given to certain classes of property by section 14 of *The Assessment Act, 1960*, and section 544 of *The City Act*, and nothing in this Act or in an order under this Act can remove or reduce an exemption given by those sections.

4. (1) A non-profit organization that is liable to assessment and taxation by a municipality in respect of property

- (a) owned by it or leased by it from the Crown, and

5. (1) Application is to be made to the Local Authorities Board and a copy served on the municipality.

(2) Contents of application.

6. The municipality is to inform Board of its attitude toward the requested exemption.

(b) used by it for any charitable, educational, religious, benevolent or welfare purpose or other purpose to the public advantage or benefit,
may apply, in accordance with this Act, to have that property declared to be exempt from assessment and taxation by the municipality.

(2) Where an application for an exemption is refused under this Act, no further application in respect of the same property or any portion thereof may be made by the same organization within a period of one year from the date of the refused application.

5. (1) An application for an exemption from assessment and taxation by a municipality shall be made to the Board and shall be accompanied by proof satisfactory to the Board, that a copy of the application has been served on the municipality in which the property is situated.

(2) The application shall state,

- (a) the name of the applicant,
- (b) the name of the municipality in which the property is located,
- (c) the legal description of the land in respect of which the exemption is requested, including the area thereof,
- (d) the assessment or valuation of the land and of the improvements thereon,
- (e) the purpose for which the applicant uses the property or different parts of the property,
- (f) the nature and extent of the improvements on the land,
- (g) the sources of income from which the applicant maintains the property and operates the facilities thereon, and the extent of that income,
- (h) whether any part of the property is revenue producing and if so, the extent thereof,
- (i) whether any part of the property is used for residences or accommodation for employees of the applicant and if so, the extent thereof and the necessity therefor, and
- (j) such other information as may be prescribed or may be required.

6. (1) Upon receipt of a copy of an application under section 5, the municipality shall inform the Board whether or not it objects to the exemption applied for being granted.

(2) If the municipality does not comply with subsection (1) within forty days after the receipt by it of the copy of the application, it shall be deemed to have no objection to an exemption being granted.

7. (1) The Board is to hold a hearing to investigate the application for an exemption.

(2) When a hearing is not necessary.

8. (1) A municipality may apply to the Board for the review of an exemption, whether granted under this Bill or under a private Act.

(2) A copy of the application is to be served on the organization having the exemption.

9. The organization is to inform the Board of its attitude toward the requested rescission or variation.

10. (1) The Board is to hold a hearing to investigate the application for a rescission or variation of an exemption.

(2) When a hearing is not necessary.

7. (1) Upon receipt of an application, the Board shall fix a date for a hearing to investigate the application and shall give not less than forty days' notice of the date and place of the hearing to the municipality and to the applicant.

(2) Notwithstanding subsection (1), where the municipality

(a) has informed the Board that it does not object to an exemption being granted, or

(b) has failed to inform the Board as required by section 6,

it is not necessary to hold a hearing and the Board may make such other investigation as it considers necessary to establish the information required.

8. (1) Where an exemption from assessment and taxation by a municipality has been granted in respect of any property, either

(a) under this Act, or

(b) by a private Act,

and the municipality in which the property is located considers that the exemption should be rescinded or varied, because of a change in the ownership, possession or use of the property, or in the status of the organization granted the exemption, the municipality may apply to the Board for a review of the exemption, stating the reason it considers a review justified.

(2) The application shall be accompanied by proof satisfactory to the Board that a copy of the application has been served upon the organization to whom the exemption was originally granted.

9. (1) Upon receipt of a copy of an application under section 8, the organization shall inform the Board whether or not it objects to the rescission or variation applied for being granted.

(2) If the organization does not comply with subsection (1) within forty days after the receipt by it of the copy of the application, it shall be deemed to have no objection to the exemption being rescinded or varied.

10. (1) Upon receipt of an application for a review, the Board shall fix a date for a hearing to investigate the application and shall give not less than forty days' notice of the date and place of the hearing to the municipality and to the organization affected thereby.

(2) Notwithstanding subsection (1), where the organization

(a) has informed the Board that it does not object to the exemption being rescinded or varied, or

11. (1) The Board on its own initiative is to review all exemptions heretofore granted by private Act. See clause 12(3) of this Bill.

(2) Exception to subsection (1).

(3) Procedure on review.

12. A report of the Board on each investigation is to be submitted through the Minister to the Lieutenant Governor in Council who may refuse, grant, rescind or vary an exemption. A report is to be made to the Assembly with respect to exemptions originally granted by private Act. Any rescission or variation of these exemptions would be made by the Legislature.

(b) has failed to inform the Board as required by section 9,
it is not necessary to hold a hearing and the Board may make such other investigation as it considers necessary to establish the information required.

11. (1) Before the first day of January, 1967, or such later date as may be set by the Minister, the Board shall review all exemptions from assessment and taxation by a municipality granted by private Acts passed before the first day of May, 1965.

(2) No review need be made under this section in respect of an exemption reviewed at the request of a municipality under section 8.

(3) With respect to each exemption granted by a private Act and being reviewed under this section, the Board

- (a) shall notify the organization and municipality concerned that it is taking the exemption under review and that the review may result in the exemption being varied or rescinded,
- (b) may require the organization and the municipality to provide the Board, and each other, with the information that would be required on an application for an exemption under this Act, and
- (c) shall fix a date for a hearing to investigate the exemption and give not less than forty days' notice of the date and place of the hearing to the organization and the municipality.

12. (1) After completing an investigation pursuant to section 7, 10 or 11, the Board shall make a report to the Minister setting forth

- (a) the relevant facts, as determined by it,
- (b) the nature of the objections, if any, and
- (c) its recommendations in the matter of granting, refusing, rescinding or varying the exemption from assessment and taxation,

and the Minister shall submit the report to the Lieutenant Governor in Council for his consideration.

(2) The Lieutenant Governor in Council may

- (a) with respect to an application under section 5,
 - (i) refuse to grant an exemption, or
 - (ii) grant an exemption with respect to all or part of the property to which the application relates,
- (b) with respect to an application under clause (a) of subsection (1) of section 8,
 - (i) refuse to rescind or vary the exemption, or
 - (ii) rescind or vary the exemption in whole or in part,

subject to the provisions of section 13.

- 13.** (1) Grounds for refusing or rescinding an exemption.
- (2) Nature and extent of an exemption from assessment and taxation.
- (3) Effect of an order.
- (4) Other conditions.

(3) With respect to an application under clause (b) of subsection (1) of section 8 or a review under section 11, the Minister, on the instructions of the Lieutenant Governor in Council, shall report to the next ensuing session of the Legislative Assembly.

13. (1) An exemption may be refused, rescinded or varied

- (a) with respect to any part of the property that is not used wholly or mainly for a benevolent purpose, or
- (b) where any part of the income or profits of the organization are being applied for a purpose other than the payment of operating or maintenance expenses or the furtherance of a benevolent purpose, or
- (c) for any other reason the Lieutenant Governor in Council considers proper under all the circumstances of the case.

(2) An order under section 12 may provide for

- (a) the complete exemption from assessment and taxation
 - (i) of an entire parcel of land, or of only a part of a parcel of land, either including or excluding any improvement thereon, or
 - (ii) of an improvement excluding the land upon which it is situated,or
- (b) the partial exemption from assessment and taxation of property
 - (i) by fixing a value to be used for the property for assessment purposes, or
 - (ii) by fixing a rate by which the value of the property is to be reduced for assessment purposes,

or any combination of the foregoing.

(3) Where an exemption is granted the property described in the order is, to the extent specified therein, exempt from assessment and taxation by the municipality in which it is situated, other than local improvement assessments or frontage taxes

- (a) while it is owned by, or leased from the Crown by, the non-profit organization named in the order, and
 - (b) while it is used by that organization for any of the benevolent purposes named in the order.
- (4) An order under this Act may be made
- (a) subject to such terms and conditions as the Lieutenant Governor in Council considers proper, and

14. Liability for taxes due before an exemption is granted.

15. Powers of the Local Authorities Board.

16. Authority to make regulations.

17. Commencement of Act.

(b) effective on the thirty-first day of December next following the making of the order or may be made retroactive to the thirty-first day of December immediately preceding the making of the order.

14. Nothing in this Act or in an order under this Act affects the liability of any person for any property taxes due to a municipality on the effective date of the order.

15. The Board may, for the purpose of this Act, exercise all the rights and powers given it by *The Local Authorities Board Act* and may require a non-profit organization and a municipality to furnish such other information relevant to an investigation as it considers advisable.

16. The Lieutenant Governor in Council may make such regulations as he considers necessary or advisable to carry out effectively the intent and purpose of this Act.

17. This Act comes into force on the day upon which it is assented to.

No. 28

SECOND SESSION

FIFTEENTH LEGISLATURE

13 ELIZABETH II

1965

BILL

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from Municipal Assessment and
Taxation of Properties used for
certain Benevolent Purposes

Received and read the

First time.....

Second time.....

Third time.....

HON. MR. HOOKE
