

POLICY: Property Tax Abatement		COUNCIL RESOLUTION: Resolution: 279-19 Effective: October 15, 2019
DEPARTMENT: Administration	POLICY NUMBER: 2019-7.0	Amended Date: Resolution: 124-20 Date: June 8, 2020

7.1 C. NON-PROFIT TAXATION GRANT

1. PURPOSE:

The Town of Herbert is committed to fairness, equity, openness, transparency and maintaining a sufficient property tax base and revenue generating capability. An exemption or abatement does not mean that the tax burden disappears, but rather it is shifted to other taxpayers. For this reason, the Town will not issue tax abatements or exemptions for non-profit agencies other than what is provided for in *The Municipalities Act* in respect to Churches, Regional Parks, etc.

However, in recognition that municipal taxation can create an undue burden on smaller non-profit organizations providing valuable services to the people of Herbert, a Municipal Non-Profit Taxation Grant has been made available under certain conditions. To ensure that it is the charitable non-profit organization benefitting from the grant, *only charitable non-profit organizations* may apply.

2. ELIGIBILITY:

In order to be eligible for the Municipal Non-Profit Taxation Grant, a non-profit or charitable organization must fill the following criteria:

- The organization must be a registered non-profit organization within the Province of Saskatchewan or a registered charity with the government of Canada.
- The organization must exist for Charitable and Benevolent Purposes such as the relief of poverty, social housing, the advancement of education, the advancement of religion or any other purpose of community service deemed beneficial to the community by the Town of Herbert.
- The percentage of use of the property for charitable and benevolent purposes must be more than 60 percent of the time it is in use. Grant funding may be partial depending on the percentage of charitable use.
- The taxes on the property in question must have been paid in full prior to application for the grant, regardless of ownership.
- All other Town of Herbert accounts for the non-profit organization must be in good standing, AND
- The organization **MUST** own the property, meaning that the organization must be the owner on title with the Province of Saskatchewan, OR
- **MUST** have a valid lease under the name of the organization.

3. REQUIREMENTS:

In order to apply for the grant, the non-profit must submit the following along with their application:

- i. The organization's business number or charitable registration number.
- ii. Copy of the organization's prior year financial statements to demonstrate the need for the funding.
- iii. For leased properties, a copy of a signed valid lease for the term of the tax year in question.
- iv. Proof that the taxes for the property in question were paid for by the applicant.

4. PROCESS:

The organization must submit a grant application including the requirements listed in section 3 to the Municipal Office no later than September 1st of each year in which it is requesting the grant. Grant applications received after September 1st in the current year may be denied. Grant applications not containing the required information proving eligibility and fulfillment of the requirements in sections 2 and 3 may be denied.

Grant applications *may not* be submitted for prior years.

Grant funding is allotted based on level of need and funding availability. Funding may not always be at the full value of or reflect the actual municipal taxes paid.

Successful applicants will be notified by November 1st of each year or within 30 days of receipts of their application, whichever is less. Grants will be paid out prior to December 31st year end or within 30 days of notification of a successful application, whichever is less.