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| <p>2. TAX EXEMPTION FOR LAND USED AND OCCUPIED BY VETERANS FOR MEMORIAL HOME, CLUBHOUSE OR ATHLETIC GROUNDS</p> <p>EXEMPTION D'IMPÔTS FONCIERS POUR LES ORGANISMES D'ANCIENS COMBATTANTS QUI UTILISENT OU OCCUPENT UN TERRAIN POUR L'AMÉNAGEMENT D'UNE RÉSIDENCE COMMÉMORATIVE, D'UN PAVILLON OU D'UN TERRAIN D'ATHLÉTISME</p> |
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COMMITTEE RECOMMENDATION

That Council approve the enactment of a by-law in the form attached as Document 2 to exempt certain veterans organizations from all municipal property taxes including the education portion of such taxes for a period of ten years commencing in the 2018 taxation year.

RECOMMANDATION DU COMITÉ

Que le Conseil approuve l'adoption d'un règlement municipal sous forme du document 2 ci-jointe pour exempter certains organismes d'anciens combattants de tous les impôts fonciers municipaux, y compris la portion liée au domaine scolaire, pour une durée de dix ans à compter de l'année d'imposition 2018.

DOCUMENTATION/DOCUMENTATION

1. Deputy City Treasurer's report, Revenue dated 18 September 2017 (ACS2017-CSD-REV-0006)

Rapport de la Trésorière municipale adjointe, Recettes daté le 18 septembre 2017 (ACS2017-CSD-REV-0006)

**Report to
Rapport au:**

**Finance and Economic Development Committee
Comité des finances et du développement économique
3 October 2017 / 3 octobre 2017**

**and Council
et au Conseil
11 October 2017 / 11 octobre 2017**

**Submitted on September 18, 2017
Soumis le 18 septembre 2017**

**Submitted by
Soumis par:
Wendy Stephanson, Deputy City Treasurer, Revenue / Trésorière municipale
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Ward: CITY WIDE / À L'ÉCHELLE DE LA VILLE File Number: ACS2017-CSD-REV-0006

**SUBJECT: TAX EXEMPTION FOR LAND USED AND OCCUPIED BY VETERANS
FOR MEMORIAL HOME, CLUBHOUSE OR ATHLETIC GROUNDS**

**OBJET: EXEMPTION D'IMPÔTS FONCIERS POUR LES ORGANISMES
D'ANCIENS COMBATTANTS QUI UTILISENT OU OCCUPENT UN
TERRAIN POUR L'AMÉNAGEMENT D'UNE RÉSIDENCE
COMMÉMORATIVE, D'UN PAVILLON OU D'UN TERRAIN
D'ATHLÉTISME**

REPORT RECOMMENDATION

That the Finance and Economic Development Committee recommend Council approve the enactment of a by-law in the form attached as Document 2 to exempt certain veterans organizations from all municipal property taxes including the education portion of such taxes for a period of ten years commencing in the 2018 taxation year.

RECOMMANDATION DU RAPPORT

Que le Comité des finances et du développement économique recommande au Conseil d'approuver l'adoption d'un règlement municipal sous forme du document 2 ci-jointe pour exempter certains organismes d'anciens combattants de tous les impôts fonciers municipaux, y compris la portion liée au domaine scolaire, pour une durée de dix ans à compter de l'année d'imposition 2018.

BACKGROUND

Between the summer of 2001 and fall of 2007, in accordance with the Municipal Act, 2001, S.O. c.25 (the Municipal Act) as amended, and the Assessment Act R.S.O. 1990, c. A.31 (the Assessment Act) Council passed various by-laws providing for the exemption from municipal taxation for 10 years for certain Royal Canadian Legions (RCL) and the Polish Combatants Association in Canada Inc. (PCA) in the City of Ottawa. At that time, the legislation limited the municipalities' ability to exempt from taxation only the municipal taxes and specifically restricted the municipalities from exempting education taxes and local improvement rates.

The applicable sections in the Municipal Act have been repealed and transferred to the Assessment Act. Effective May 17, 2007, the Assessment Act no longer restricts municipalities from exempting land used by veterans from education taxes. Accordingly, a municipality may now pass a by-law exempting land used by veterans for a memorial home, clubhouse or athletic grounds from both municipal and education taxes. The current exemption expires at the end of 2017.

DISCUSSION

In 2007, City Council exempted properties of the RCL and PCA from the municipal portion of taxes for a ten-year period. In accordance with the aforementioned by-laws, there are currently fifteen (15) properties that qualify for a municipal tax exemption.

Document 1 lists these eligible properties. The RCL and PCA serve an important role in Ottawa in providing support and help to Veterans and Seniors in our communities.

As indicated above, the Municipal Act no longer provides for the veteran municipal tax exemption, rather, the exemption is now provided within the Assessment Act.

The amendment of Section 6.1(2) in the Assessment Act, which came into effect May 17, 2007, no longer restricts a municipality to extend the exemption to the education portion of the property taxes. Section 6.1(3) restricts the exemption period to ten years.

Staff is recommending that City Council continue to take advantage of the current legislative amendment in the Assessment Act and provide a municipal and education tax exemption to the eligible RCL branches and the PCA listed in Document 1 for a ten year period commencing in the 2018 taxation year.

RURAL IMPLICATIONS

There are no rural implications for this report.

CONSULTATION

Revenue Service has consulted with Legal Services, Ward Councillors, Municipal Property Assessment Corporation and the RCL and the PCA in preparation of this report.

COMMENTS BY THE WARD COUNCILLOR(S)

Affected Ward Councillors were consulted and have no additional comments.

ADVISORY COMMITTEE(S) COMMENTS

There are no Advisory Committee implications for this report.

LEGAL IMPLICATIONS

There are no legal impediments to approving the recommendations in this report. Subsection 6.1(2) of the *Assessment Act, 1990* provides that Council may pass by-laws exempting land used and occupied by veterans as a memorial home, clubhouse or athletic grounds, from municipal taxation.

RISK MANAGEMENT IMPLICATIONS

There are no risk management impediments to implementing the recommendation in this report.

FINANCIAL IMPLICATIONS

There are no additional financial impacts for the city' share as this has covered by various by-laws since 2001. The education portion will be deducted from the education tax remittances.

ACCESSIBILITY IMPACTS

There are no accessibility impacts of this report.

TERM OF COUNCIL PRIORITIES

This meets Council's priority with respect to Financial Stability

SUPPORTING DOCUMENTATION

Document 1: List of premises qualifying for the exemption under the Assessment Act (*Held on file with the City Clerk*)

Document 2: Draft by-Law exempting qualifying land used by veterans from education taxes (*Held on file with the City Clerk*)

DISPOSITION

Legal Services staff will place the draft by-law on the Agenda of Council for enactment by City Council. Revenue Service will make the necessary adjustments to the tax accounts and will send the by-law to Municipal Property Assessment Corporation. Revenue Service will advise the RCL Branches and the PCA impacted.