

Fair Taxes – Fair Future

Prepared by the Kelowna Atheists, Skeptics and Humanists Association (KASHA), and Advocacy Canada – May 2025

Written by Nina George

Recommendation

We urge Kelowna City Council to **pause the issuance of new five-year property tax exemptions** under **Policy #327 – Schedule A: Public Worship** for the 2025 application cycle.

Instead, we recommend Council approve only a **temporary one-year exemption** this year and commit to forming a **community-based task force in 2026** to re-evaluate and modernize the criteria for Public Worship property tax exemptions.

This review should include the following considerations:

1. **Alignment with equity principles** outlined in Kelowna's 2040 Official Community Plan (OCP);
 2. **Exclusion of organizations** that discriminate against protected groups from receiving public subsidies;
 3. **Prohibition of supporting tax exemptions** that indirectly fund proselytizing efforts beyond Kelowna;
 4. **Evaluating the redundancy of subsidizing properties** that provide services already available through other, or similar community organizations.
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Purpose

To initiate a transparent, community-informed review of **Policy #327 – Schedule A: Public Worship** by establishing a task force in 2026. This body will provide recommendations to City Council regarding the permissive tax exemption (PTE) process to ensure it reflects the values, demographics, and priorities of Kelowna today.

Background

Under **Section 220(1)(h)** of the *BC Community Charter*, buildings used for public worship and the land beneath them are **statutorily exempt** from property taxes.

However, municipalities like Kelowna hold discretionary authority to grant **additional exemptions** to lands and buildings **beyond** the worship area. This is the scope governed by **Policy #327**.

The policy was last comprehensively updated in 2006 following the work of a community task force. That review led to practical changes, including:

- Making commercial activities (e.g., daycare, office leasing) taxable;

- Clarifying service delivery expectations by ensuring services/programs benefit community;
- Adjusting social housing criteria from a five- to two-year occupancy limit.

Now, **nearly two decades later**, Kelowna has undergone significant demographic and cultural transformation, making another comprehensive review timely and necessary.

Discussion

Changing Demographics

According to the 2021 Census:

- **54%** of Kelowna residents identify as non-religious (*Appendix A*).
- PTE applications from 2020 reported attendance/use by roughly **22,000 individuals**, or just **15%** of the population determined from **2021 Census**: Kelowna Population - 144,576.

This data signals that a majority of Kelowna taxpayers do **not** regularly benefit from these tax-exempt properties.

Ensuring Inclusivity and Human Rights Compliance

Kelowna's 2040 OCP emphasizes **equity, inclusion, and community resilience**. Specifically, Policy 9.1.3 calls for the **equitable allocation of City resources**.

Policy 9.1.3 – Equitable Allocation of Resources:

Incorporate an equity lens into allocation of City resources to build City-wide equity as well as neighbourhood resiliency and inclusivity.

Yet many religious institutions receiving PTEs:

- Maintain policies that exclude from full membership, or marginalize **2SLGBTQIA+ individuals**;
- Do **not** meet inclusive standards set by 2040 OCP, or by the standards of receiving subsidies by most government branches;
- Continue to operate **without demonstrating compliance** with anti-discrimination practices.

Research by *Advocacy Canada* revealed that **only 4 out of 37** Okanagan faith-based organizations were publicly identified as safe and affirming for queer individuals.

(<https://advocacy-canada.lgbt/okanagan-faith-based-organizations/>)

Public funds must not subsidize exclusionary practices. Linking tax exemptions to **human rights adherence** is both ethically sound and fiscally responsible. Such a shift would:

- Encourage inclusivity and gender equity in leadership;
- Reflect modern values of equality and respect;
- Prompt cultural change through financial accountability.

Prohibition of Supporting Tax Exemptions that Indirectly Fund Proselytizing Efforts Beyond Kelowna

Policy #327 states that PTEs should not support activities unrelated to local service delivery. Yet CRA records show that many Public Worship organizations:

- Contribute significantly to **missions, anti-abortion lobbying, and international proselytizing**;
- Donate externally in amounts that **exceed their tax savings** under PTEs (<https://askuskelowna.ca/pte/>);
- Channel local tax breaks into **politically motivated or religious campaigns** beyond Kelowna.

This clearly **contravenes Policy #327's intent**, yet City staff have indicated (*Appendix B*) that enforcement is considered too burdensome. We respectfully argue that **noncompliance with core eligibility criteria should be grounds for denial** of PTE applications.

Encouraging Efficient and Community-Focused Use of Land

Numerous similar religious properties in Kelowna sit on **high-value land**, yet may be:

- Underused;
- Not accessible to the broader community;
- Lacking adaptive or innovative programming for the large non-religious community.

A revised tax policy could encourage:

- **Divestment of surplus land** for public housing or infrastructure;
- **Mixed-use developments** combining worship with social housing or community services;
- **Resource consolidation** that increases collaboration and interfaith engagement.

These changes would better align with Kelowna's land-use and affordability goals.

Addressing Concerns and Emphasizing Benefits

Some may fear that limiting PTEs infringes on religious freedom. This is a **misconception**.

Religious practice remains fully protected under Canadian law. This proposal concerns **municipal tax equity**, not religious expression.

A modernized PTE framework will:

- Ensure **all organizations contribute fairly** to city services;
- Promote **interfaith and secular cooperation** through shared spaces;
- Empower faith-based groups to align with **community-wide values**.

Conclusion: Toward a More Equitable Kelowna

Kelowna has changed—and so must its approach to permissive tax exemptions.

Automatic, multi-year subsidies to religious organizations, many of which serve only a fraction of the public and may discriminate against vulnerable groups, do **not reflect the values** of a diverse, inclusive, and forward-thinking city.

It is both fair and necessary to pause new five-year exemptions in 2025 and commit to a 2026 task force that re-imagines PTEs for the modern era.

This is not about taxing belief—it is about **tax fairness**.

We owe it to all citizens—religious or not—to ensure public funds are used **transparently, inclusively, and responsibly**. Let's work together to build a future where Kelowna's tax policy reflects the equity and integrity we all deserve.

Appendix A

Kelowna Religions Data from StatsCan Data					
Religion refers to the person's self-identification as having a connection or affiliation with any religious denomination, group, body, sect, cult or other religiously defined community or system of belief. Religion is not limited to formal membership in a religious organization or group. Persons without a religious connection or affiliation can self-identify as atheist, agnostic or humanist, or can provide another applicable response. (StatsCan)					
Percentage reporting No Religion from data		54%	42%	31%	24%
a		2021 Data Link	2011 Data link	2001 Data link	1991 Data link
b		2021	2011	2001	1991
c	Population Count	144,576	114,570	96,288	74905
d					
e	Total - Religion	141,755	114,565	95,440	74,910
f	Buddhist	895	570	505	300
d	Total Christian	56,265	62,405	63,735	55,475
e	Christian, n.o.s.	14,960			
f	Anabaptist	945			
g	Anglican	4,100	5,715		6,430
h	Baptist	2,815	4,165		2,900
i	Catholic	17,595	18,300	18,195	16,590
j	Christian Orthodox	1,085	880	795	775
k	Jehovah's Witness	1,060			
l	Latter Day Saints	470			565
m	Lutheran	2,380	3,615		3,790
n	Methodist and Wesleyan (Holiness)	165			
o	Pentecostal and other Charismatic	1,250	2,180		2,590
p	Presbyterian	765	840		1,275
q	Reformed	140			110
r	United Church	5,015	8,080		11,190
s	Other Christian and Christian-related	3,520	18,630	44,745	9,260
t	Hindu	1,090	455	140	125
u	Jewish	530	215	215	175
v	Muslim	1,560	480	250	95
w	Sikh	3,665	1,525	855	495
x	Traditional (North American Indigenous)	95	70		
y	Other religions and spiritual traditions	1,440	960	305	275
z	No religion and secular perspectives	76,215	47,885	29,435	17,970
The data was compiled by Kelowna Atheists, Skeptics and Humanists Association - askuskelowna.ca					
1	Data was obtained by StatsCan. You can access the links on row (a)				
2	The religious categories changed over time and some were combined in order to put them in the rows. 2021 has the most recent recognized religious category. The older data was combined to fit into the 2021 categories.				
3	The population number is different from the total religion counts. It is unknown why the data is different.				

Appendix B



Nina George <rnmr2011@gmail.com>

Questions for city staff that review Bylaw 327

10 messages

Nina George <grow@askuskelowna.ca>
To: cityclerk@kelowna.ca

Thu, Jan 30, 2025 at 7:14 PM

Hi Kelowna City Clerk,

Our organization has been reviewing Bylaw 327, in particular concerning the Public Worship category. We have previously obtained the 2020 Public Worship applications and have watched the City Council meeting in 2020 approve those applications via city staff outlining some minor changes. So we assume that all the Public Worship applications that were submitted in 2020 were approved via staff scrutiny before presenting for vote in council.

I don't know who in the city staff that I would ask the below questions to, so please forward this to the appropriate person.

I have several questions on how city staff interprets Bylaw 327 for Public Worship organizations.

Below are my questions:

1. Under eligibility criteria 3, it states:

*Tax exemptions will only be granted to organizations that are a Registered Charity or Non-Profit Organization.
The intent of this requirement is to ensure that municipal support is not used to further activities of an organization*

We have obtained financial data from the CRA on many of the Public Worship organizations including their public donations list which is part of their income statements. Almost all of the Public Worship organizations significantly donate to causes outside of Kelowna, such as religious missions, bible printing, anti-abortion causes and international funding to similar groups. In some cases, their international/out of Kelowna donations exceed what they would have paid for in their property tax, and many of these donations would be considered political causes.

Does city staff examine the amount of Public Worship donations in relation to the criteria that municipal support should not be used to further activities of an organization? Would City Staff consider the amount of financial donations given outside of Kelowna to contravene this eligibility criteria?

2. Under eligibility criteria 6, it states:

will provide benefits and accessibility to the residents for Kelowna. Specifically, members of the public, within the appropriate age range, are able to join a club or organization and participate in its activities for a nominal rate or fee.
Kelowna residents must be the primary beneficiaries of the organization's services. **The services provided on the property must be accessible to the public.**

In the 2040 Kelowna OCP Objective 9 speaks to Kelowna being an equitable and accessible city for all citizens. How does city staff interpret accessibility for the Public Worship organizations that are openly anti-LGBTQ+ and send non-believers to hell. Considering that 54% of Kelowna residents are secular from the 2021 census, **how are Public Worship organizations scrutinized for in terms of accessibility and inclusivity for equity groups?**

For instance, when KASHA recently tried to inquire about renting event halls from many of these organizations, they either did not answer back, or just said we did not qualify for rental under their values.

If the layer of accessibility and inclusivity were to be used as a filter, would city staff reject any of the Public Worship organizations that are openly discriminatory and not welcoming to all citizens?

3. Under eligibility criteria 4, it states:

Services provided by an organization should fulfill some basic need, or otherwise improve the quality of life for residents of Kelowna.

Again referring to the 2040 Kelowna OCP, how does the city staff interpret that organizations are improving the quality of life for residents of Kelowna when these religious organizations are openly advocating for discriminating against the LGBTQ+ community, atheists and advocate against women's reproductive freedoms (anti-abortion). **Would the city staff approve of religious organizations that are openly advocating racist views? Is there a difference between racism and discriminating against the LGBTQ+ community?**

4. Public Worship application change:

Would it be possible for city staff to modify the application process to enhance scrutiny of these concerns without requiring city council approval?

For example:

1. Does your religious organization provide equal treatment to members of the LGBTQ+ and atheist community (e.g., do you allow same-sex marriages or secular humanist marriages in your public worship facility)?
2. Does your religious organization advocate against reproductive rights such as contraception and abortion?
3. Please provide a list of donations your organization funds. What percentage of these funds is allocated outside of Kelowna?
4. What efforts does your organization make to engage with the broader community without attempting to convert individuals to your beliefs? Does your organization hold broad community events and/or welcome Kelowna's diverse community to use your facilities?

We are asking these questions as we find that there is limited oversight or accountability regarding how religious institutions use their tax-exempt status, raising our concerns about whether the public benefit justifies the tax exemption. The Public Worship category receives 5 year tax exemptions with no further scrutiny in comparison to the other groups, it seems that religious organizations do not have to abide with Kelowna's stated inclusivity values and so we question why they should receive these very lucrative subsidies.

While many religious institutions provide community services (e.g., food banks, shelters), we believe that not all religious organizations offer significant, or measurable public benefits. Some may primarily serve their members rather than the broader community which has greatly shifted in values over time. We think it is time to re-examine these broadly given exemptions.

I would like to speak to the staff that are involved in the scrutiny of these applications. I believe that the PTE application for the Public Worship category is coming up this July. We would like to fully understand the process of approval which is why we are asking these questions.

I would be happy to meet with any staff, or talk on the phone concerning the above questions.

Thanks for your time.

Thinking with you,
Nina George
250 764 6449

KASHA - Kelowna Atheists, Skeptics & Humanists Association

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Become a member via our secure website payment system [HERE](#)

Inquire with us at askuskelowna.ca

Questions for city staff that review Bylaw 327**Matt Friesen** <mfriesen@kelowna.ca>

To: "grow@askuskelowna.ca" <grow@askuskelowna.ca>

Thu, Apr 10, 2025 at 2:49 PM

Good afternoon.

Sorry for the delay on getting a reply to you.

Just starting off with some high level facts on the legislation:

1. Provincial exemption portion (Community charter Section 220 (1) (h)): Exempted Provincially

- a. Place of worship are given a general exemption (by the Province) from taxation for the church building and the land on which the building stands under C.C. Section 220 (1) (h).

2. Municipal exemption options: Exemption provided by Council Policy 327 and allowed through provincial legislation Permissive tax exemption policy 327

- a. A permissive tax exemption may be provided for the land surrounding the exempt building for public worship that Council considers necessary. (Section 224 (2) (f) of the Community Charter)
- b. A permissive tax exemption may be provided for land and improvements used or occupied by a religious organization, as a tenant or licensee, for the purpose of public worship. (Section 224 (2) (g)) (The lessee under the lease must be required to pay property taxes directly to the City of Kelowna.)

3. Purpose of permissive tax exemption:

- a. the City of Kelowna recognizes the significant value of volunteers, volunteer groups and agencies to the spiritual, educational, social, cultural, and physical well-being of the community.
- b. a permissive tax exemption is a means for Council to support organizations such as these within the community that further Council's objective to enhance the quality of life while delivering services economically to the citizens of Kelowna.
- c. areas that are used for other purposes (that don't meet eligibility criteria within the policy), are excluded from the exemption such as residences, daycares, commercial use.
- i. Council is already using its authority to only provide partial exemptions

The Permissive tax exemption policy is approved by Council and have been satisfied with the layer of scrutiny, audit and oversight that is outlined within the policy. The criteria within the council approved policy guides what questions we ask in the application as well.

A further analysis on how the different parts of the church such as parking lots, gymnasiums and auditoriums (which is the only portion the City is eligible to exempt) are benefiting the religious groups would be highly subjective and would be a significant administrative burden on the religious groups and the City.

With the exclusions already outlined within the policy, adding more layers (as you have suggested in your trailing communication), would only bring minimal changes if any to the exemptions provided by the City to Places of Worship. The resources and time required for such a comprehensive review would not justify the relatively minor financial impact on the reallocation of taxpayer funds.

Thank you.

Matt Friesen (he/him), CPA
Controller | City of Kelowna
250-469-8539 - City Hall

250-863-1942 - Cell

mfriesen@kelowna.ca

Kelowna is located on the traditional, ancestral, unceded territory of the syilx/Okanagan people.

Appendix C – References

1. <https://askuskelowna.ca/pte/> - Kelowna Atheists, Skeptics, Humanists Association web page which references all data and information on the Fair Taxes – Fair Future challenge.
2. <https://advocacy-canada.lgbt/okanagan-faith-based-organizations/> - Advocacy Canada's web page designed to empower the 2SLGBTQIA+ community with information to make informed choices about safe places of worship and life celebration events with Okanagan churches and faith-based organizations.
3. https://www.bchumanist.ca/property_taxes – BC Humanists analysis on property tax exemptions.