
Court of Appeal for Saskatchewan
Docket: CACV4347

Citation: *Prince Albert (City) v Canadian Revival Centre Corporation, 2026 SKCA 19*

Date: 2026-02-03

Between:

City of Prince Albert

*Appellant
(Respondent)*

And

Canadian Revival Centre Corporation

*Respondent
(Appellant)*

And

Saskatchewan Assessment Management Agency

*Respondent
(Non-Party)*

Before: Schwann, Tholl and Kalmakoff JJ.A.

Disposition: Appeal allowed

Written reasons by: The Honourable Justice Jerome A. Tholl
In concurrence: The Honourable Justice Lian M. Schwann
The Honourable Justice Jeffery D. Kalmakoff

On appeal from: 2024 SKMB 11, Regina
Appeal heard: November 27, 2025

Counsel: Troy Baril and Aden Ritter for the Appellant
No one appearing for the Saskatchewan Assessment Management Agency

Representative (non-lawyer): Terry Hays on behalf of the Canadian Revival Centre Corporation

Tholl J.A.

I. INTRODUCTION

[1] The Canadian Revival Centre Corporation [CRC] owns a property located at 1405 Bishop Pascal Place in the City of Prince Albert. For the purpose of the 2023 property taxes, it was assessed as commercial property with a value of \$6,297,500. That classification and assessed value is not in question in this appeal. The issue that forms the crux of the matter at hand revolves around the assessor's decision to exempt some of the space in the main building from taxation as a registered independent school under s. 262(1)(c) of *The Cities Act*, SS 2002, c C-11.1 [Act], and as a place of public worship under s. 262(1)(e) of the Act, but not the remainder of the property. This resulted in a little over one third of the property being exempted and the rest being subject to taxation.

[2] Asserting that all of the property should be exempted, CRC appealed the assessor's decision to the Prince Albert Board of Revision [Board], which dismissed its appeal: *Canadian Revival Centre Corporation v Prince Albert (City)* (15 July 2023), Prince Albert 2023-54 (SKBOR) [Board Decision]. Upon further appeal to the Assessment Appeals Committee of the Saskatchewan Municipal Board [Committee], it found the entirety of the property to be exempt: *Canadian Revival Centre Corporation v Prince Albert (City)*, 2024 SKMB 11 [Committee Decision].

[3] The City sought and obtained leave to appeal to this Court on the following question of law: Did the Committee err in law by incorrectly interpreting and applying s. 262 of *The Cities Act*?

[4] For the reasons that follow, I would allow the appeal and remit the matter to the Committee.

II. BACKGROUND

A. The property and its assessment

[5] CRC has operated a Kindergarten to Grade 12 registered independent school and a place of worship in Prince Albert since 2005. It had recently purchased the property in question and

moved into it in late August or early September in 2022, a few days before a new school semester was to begin. The primary building on the property is a school and dormitory. There are additional buildings, including a gymnasium, a swimming pool, multiple garages, storage facilities, and a gazebo. The entire property had been exempted from taxation when it was owned by the previous owners, but this was done under the specific provisions of *The Sisters of the Presentation Act, 2010*, SS 2010, c 02, which does not apply to CRC. Any exemptions available to CRC must be grounded in the *Act*.

[6] The relevant portions of the *Act* and *The Cities Regulations*, RRS c C-11.1 Reg 1 [*Regulations*], are as follows:

(a) the *Act*:

Interpretation

2(1) In this Act:

...

(z) “**prescribed**” means prescribed in the regulations made by the Lieutenant Governor in Council

...

Exemptions from taxation

262(1) The following are exempt from taxation:

...

(c) subject to subsection (2), property:

(i) that is owned and occupied by a registered independent school as defined in *The Education Act, 1995*, if the school is owned or operated by:

(A) a non-profit corporation that is incorporated, continued or registered pursuant to *The Non-profit Corporations Act, 2022*;

(B) a community services co-operative that is incorporated, continued or registered pursuant to *The Co-operatives Act, 1996*; or

(C) a body corporate that is operated on a not-for-profit basis and is incorporated or continued pursuant to an Act; and

(ii) that consists of:

(A) prescribed buildings; and

(B) land not exceeding the prescribed amount used in connection with the buildings mentioned in paragraph (A);

...

(e) every place of public worship and the land used in connection with a place of public worship subject to the following limits:

(i) the maximum amount of land that is exempt pursuant to this clause is the greater of:

(A) 0.81 hectares; and

(B) 10 square metres of land for every one square metre of occupied building space used as a place of public worship;

(ii) the place of public worship and land must be owned by a religious organization;

(iii) the exemption does not apply to any portion of that place or land that is used as a residence or for any purpose other than as a place of public worship

(b) *Regulations:*

Exemption from taxation

18(1) The following buildings are prescribed pursuant to paragraph 262(1)(c)(ii)(A) of the Act:

(a) a building or part of a building used as a dormitory for students of an independent school;

(b) any portion of a building used as a student dormitory that is occupied as a residence by a residential supervisor of that dormitory;

(c) a building or part of a building used as a kitchen or dining room for students of an independent school;

(d) a building or part of a building used primarily for the purpose of an independent school; and

(e) a building or part of a building used for storage or maintenance purposes for an independent school.

(2) The following amounts are prescribed pursuant to paragraph 262(1)(c)(ii)(B) of the Act:

(a) two square metres of land for every one square metre of occupied space of a building or part of a building that is exempted pursuant to clause (1)(a), (b) or (e);

(b) two square metres of land for every one square metre of occupied space of a building or part of a building that is exempted pursuant to clause (1)(c) if that building or part of that building is used in connection with a building or part of a building mentioned in clause (1)(a) or (b);

(c) with respect to a building or part of a building mentioned in clause (1)(d), the land used in connection with that building or part of that building in an amount calculated in accordance with Table 1 of the Appendix.

(3) Notwithstanding subsection (2), if a city has a bylaw in effect that requires that more land than that calculated pursuant to clause (2)(a) or (b) be used in connection with the buildings or parts of buildings mentioned in that clause, the amount of land exempt from taxation is the amount of land required by the city's bylaw.

[7] In assessing the property and considering whether all or part of it should be exempt, the assessor spoke with representatives from CRC, inspected the property on October 13, 2022, reviewed information provided by CRC and accessed other documents. In its assessment explanation submission to the Board, the City described the assessment results and associated rationale for its findings as follows:

[33] As per s. 262(c) of *The Cities Act*, the portion of the building used for the purposes of the registered independent school are exempt from taxation. This includes the school area (2 floors on south wing) and the gymnasium area found on the building sketches on pages 23 to 26. ... These areas, at the time of inspection, were deemed actively used for the school purpose. There is vacant space for future growth of the school; however s. 262(c) refers to space that is "owned and occupied"; vacant space is not "occupied" and therefore not exempt. Only when the vacant space is used (i.e., "occupied") for school purposes would a further exemption be applied. As part of the Assessor's review, a confirmation of the space used for the school purpose was confirmed with the Ministry of Education.

[34] During the inspection, the property owner identified there is an area located on the ground level that is a possible future childcare facility. The intent would be the children in the childcare facility would continue on through to Elevation Academy. This is a potential future use of the area which is not included in the current valuation. The space is currently vacant; therefore, not exempt from taxation. ...

As per s. 262(e), the portions of the building identified during the inspection by the appellant to be used as the place of public worship are considered exempt. These areas are identified in the sketch as church area, which includes the chapel, mezzanine area, some offices, and common areas for entry into the place of public worship area. This area does have public worship services on a weekly basis, Sunday's at 10:30 am and prayer Thursday at 7:00 pm However, there are other areas identified by the Appellant that they claim are also used for purposes of a public worship. The following are sketches for each floor showing the exempt and taxable areas based on the inspection completed on October 12, 2022. The green areas are exempt; the blue areas are taxable.

[35] Canadian Revival Centre, as per their website, only provides for religious services in which the exempt portion in the above sketches includes the chapel, mezzanine, office area and common area. The vacant space within the building can only be used for commercial uses as provided for in the zoning bylaw, see Appendix U. This makes the vacant space a commercial use. The Appellant has not provided any further evidence to the Assessor illustrating the vacant space is used as a place of public worship. Indeed, the evidence shows these spaces are vacant, i.e., not being used for any purpose.

...

[37] ... Canadian Revival Centre has lots of vacant commercial space currently not being used for any purpose; just because these spaces are vacant does not mean they are used for “public worship”. The portion of the property used as a place of public worship is exempt as it’s “dominant or principal” use is for this purpose. There is also vacant space the Appellant is actively seeking to lease out for commercial purpose. This is further evidence there is vacant space within the Property currently not being used, see Appendix T. The listing has available space in the auditorium, chapel, gymnasium, recreation centre, or commercial kitchen. The listing also identifies the current zoning provides the ability for some uses such as childcare facilities, catering services, and offices. All these uses are commercial use that when located within the Property would not be exempt.

...

[43] Since the Appellant has vacant space within the main building which is not used as a place of public worship or the registered independent school, based on the zoning requirements it is classified as vacant commercial space; therefore, it is taxable.

[44] Based on the internal review of the information provided by the Appellant, the inspection of the property, and legislation, the exemption as per s. 262(c) and the exemption as per s. 262(e) only applies to the school area (2 floors on south wing), gymnasium, chapel, mezzanine, some office area, and common area as identified in the sketches. The remainder of the building(s) do not meet the exemption requirements in legislation for this Property. Therefore, the main building is 64% taxable and 36% exempt and the remaining buildings on the Property are taxable.

(Emphasis omitted)

[8] As can be seen from these results and the associated reasoning, the exemption was denied for a large portion of the property on the basis that it was vacant space and was not being used for school or public worship purposes. This left a *taxable* assessment of \$3,445,980 after taking into account the exemption.

B. Board Decision

[9] CRC appealed the assessor’s decision to not exempt the remainder of the property to the Board. The Board referred to background information and summarized each party’s evidence and arguments. It then denied CRC’s appeal for the following reasons:

[25] After careful deliberation and reviewing *The Cities Act* and other referenced material, the Board considered:

- The City followed procedures outlined in *The Cities Act* when developing a base land rate, standard parcel size, and a MAF (market adjustment factor).
- The subject property was inspected, evaluation changes noted and presented to the Appellant.

- Emails clearly identifying taxable areas and exempt areas, were exchanged, and documented.
- Comparisons outside the revelation years cannot be used and potential uses of areas cannot be exempt.
- The Sisters of Presentation agreement of 2010 was a unique agreement with the City which became void once the Property sold.
- Uses of Properties are determined as of January 1st of each year, *The Cities Act*.

[10] The Board confirmed that the exemption should remain the same, leaving a *taxable* assessment of \$3,445,980.

C. *Committee Decision*

[11] CRC appealed the *Board Decision* to the Committee. Following an introduction of the issues in its reasons, the *Committee Decision* consolidated CRC's grounds of appeal into one question: "Did the Board err in determining which portions of the property are liable to, and exempt from, taxation?" (at para 6).

[12] After addressing preliminary issues, none of which are in contention here, the Committee set out the parties' arguments and then conducted its analysis. That analysis was as follows:

[27] Upon review of the Board's decision, we note that the Board did not provide any commentary in relation to the application of section 262 to the circumstances of this appeal. In the absence of this analysis, the Board's acceptance of the City's explanation with respect to the liability-to-taxation determinations is difficult to reconcile with our interpretation of this provision. Section 262(1)(c)(i) refers to "property: (i) *that is owned and occupied* by a registered independent school". The City interpreted "occupied" to mean all "portions" of the property must be occupied. Perhaps this approach was adopted based on the division of the use of the property between school and church/worship.

[28] In contrast, we find that the legislature, in enacting this provision, intended "*occupied*" to mean that the owner of the Property was present on the property, utilizing the premises for religious and educational purposes. There is no reference to "every room occupied" in this subsection. To illustrate further, we suggest that the term "*occupied*" within subsection 262(1)(c)(i) was deliberately adopted to prevent educational or religious organizations from obtaining tax exemptions as absentee landlords by renting properties they owned to individuals or companies, but not using these properties for their own purposes.

[29] The Court's decision *Qu'Appelle Developments Ltd. v Regina (City)*, [1989] 5 WWR 353 [*Qu'Appelle Developments*], provides useful guidance to us in adjudicating this appeal. Here the Court stated at paragraph [4]:

The meaning of the word "occupy" as used therein, and in its ordinary meaning (see e.g., *Oxford English Dictionary*), is not confined to physical occupation, but extends also to exercise of power over, as well as control and/or use of the property.

[30] We also applied this direction in *Sam Slipiec v Willow Creek (Rural Municipality No. 458)*, SMBAACD No. 2011-0105 [*Slipiec*], to the meaning of the term “occupy” in another tax exemption appeal. In *Slipiec* we ruled that the issue of occupancy is primarily determined based on control of the residence, not the fact that portions of the property may be vacant. Based on the foregoing, we find the argument that a property is not “occupied” in the event portions remain vacant unpersuasive and inconsistent with the reasoning of the Court in *Qu’Appelle Developments*.

[31] [CRC] has demonstrated that the Board erred in determining which portions of the property are liable to taxation. We find that the Property is tax exempt in accordance with section 262 of the *Act*.

(Italic emphasis in original)

[13] The Committee determined that the Board had erred and found that the entirety of the property should be exempt from taxation under s. 262 of the *Act*.

III. ANALYSIS

[14] The City submits that the Committee did not correctly interpret s. 262(1)(c) of the *Act* as a result of its failure to consider s. 262(1)(c)(ii) and s. 18 of the *Regulations*. It argues that the Committee focused on whether the property was occupied by CRC but did not address the second requirement, which was whether the prescribed building was used primarily for the purpose of an independent school.

[15] CRC contends that the Committee found that the exemption was justified under s. 262 of the *Act* and did not need to specifically mention each subsection or the *Regulations*. It argues that the Committee properly determined that it was entitled to the full exemption using a holistic approach to its analysis.

[16] In its conclusion, the Committee did not specify how it allocated the exemption between s. 262(1)(c) (registered independent school) and s. 262(1)(e) (place of public worship) of the *Act*. It simply said, “We find that the Property is tax exempt in accordance with section 262 of the *Act*” (*Committee Decision* at para 31). In its submissions to this Court, CRC conflates the exemption under the two subsections. However, based on the submissions of the parties below, and a full reading of the *Committee Decision*, it appears that there was no disagreement about the portion that was exempted as a place of public worship. There was certainly no analysis of the place of public worship issue in the *Committee Decision*. The disagreement seems to have been whether

the part that did not receive an exemption should have been exempted under s. 262(1)(c) as being used for the purposes of a registered independent school. The Committee's interpretation of s. 262(1)(c) was the issue that was considered by Bardai J.A. when he granted leave to appeal to this Court. As such, this appeal is only concerned with s. 262(1)(c).

[17] Legislation must be interpreted using the modern approach as set out in s. 2-10 of *The Legislation Act*, SS 2019, c L-10.2, and described in *Regina Bypass Design Builders v Supreme Steel LP*, 2021 SKCA 82 at paras 23-28. However, based on a plain reading of the *Act* and *Regulations* in the matter at hand, the interpretation is straightforward. I agree with the City that the Committee did not undertake the full analysis required by s. 262(1)(c) of the *Act* because it did not have regard to the entire legislative scheme.

[18] A plain reading of the *Act* and *Regulations* indicates that the requirements for an exemption under s. 262(1)(c) of the *Act* and s. 18 of the *Regulations* are broken down as follows:

- (a) the property must be *owned* by a registered independent school (s. 262(1)(c)(i));
- (b) the property must be *occupied* by a registered independent school (s. 262(1)(c)(i));
- (c) the school must be *owned or operated* by one of three types of entities (s. 262(1)(c)(i)(A)–(C));
- (d) buildings that are to be exempted must fall into one or more of the five categories prescribed in s. 18(1) of the *Regulations*, with each of those categories having a *use* component (s. 262(1)(c)(ii) and s. 18(1) of the *Regulations*); and
- (e) land that is to be exempted must not exceed the prescribed amount and must be *used in connection* with the buildings that are exempted (s. 262(1)(c)(ii) and s. 18(2) of the *Regulations*).

[19] The Committee only referred to s. 262(1)(c)(i) of the *Act* and did *not* advert to s. 262(1)(c)(ii) or s. 18 of the *Regulations* nor did it discuss the requirements imposed by those latter enactments. Its analysis focussed solely on the question of occupation. As a result, the Committee did not apply the entire test required under the legislation to determine if an exemption was warranted. I note that s. 18 of the *Regulations* was not specifically referenced by the assessor in submissions to the Board, nor by the Committee in its summary of the City's position in the *Committee Decision*, although the concept of *use* is highlighted in both of those submissions. It

appears that these provisions were not brought to the Committee's attention, which may explain why the focus remained on *occupation* and did not progress to any analysis of *use*.

[20] It was not contested that CRC qualified as a registered independent school, that it owned the property, and that it owned or operated the school through one of the types of entities required by the *Act*. It was also not in contention that part of the property was occupied by CRC and was used primarily for the purposes of an independent school. The disagreement was whether CRC also occupied the space categorized by the assessor as vacant commercial space and whether the disputed space was being used in the manner required to attract an exemption. As one example of the test that must be applied for the latter part of the analysis, in the case of the category set out in s. 18(1)(d) of the *Regulations*, the building, or part of the building, must be *used primarily for the purpose* of an independent school.

[21] The Committee did not explicitly, or through the general wording of its analysis, engage with the concept of the *use* requirement in its analysis and application of the legislation that governs exemptions. Given that this is one of the conditions that must be satisfied under s. 262(1)(c) and s. 18 of the *Regulations* before an exemption may be granted, this oversight constitutes an error of law.

[22] As a remedy for this error, the City argues that the disputed space is vacant and not being used for any purpose at all so no further exemption is warranted. It urges this Court to examine the evidence filed at the Board, find that it is uncontroverted, overturn the *Committee Decision*, and reinstate the *Board Decision*.

[23] CRC contends that the disputed space is being used for school and church purposes and described the parts that are used in supportive roles. It argues that it is not merely the main building that must be considered but that the maintenance garages, storage areas, the gazebo, and the pool area are also primarily used for school purposes. CRC further points out that it had only moved into the premises six weeks before the inspection, relocating from a 16,000 square foot facility to the new 175,000 square foot property, and circumstances were still in a state of flux at the time of the assessor's analysis. While these assertions are mainly submissions, there was some evidence regarding these concerns. However, I am not convinced that the facts are as clear-cut as the City suggests.

[24] There are insufficient findings of fact from the Board or the Committee regarding how the disputed space was being used within the meaning of the various categories in s. 18 of the *Regulations*, and there is no analysis of this issue at the Committee level. The evidence regarding use is sufficiently controverted that it would not be appropriate for this Court to decide the matter. Without the necessary findings of fact, this Court is not in a position to determine whether a more expansive exemption than that allowed by the assessor and confirmed by the Board should be granted. As such, I conclude that the matter must be returned to the Committee.

IV. CONCLUSION

[25] The appeal is allowed and the *Committee Decision* is set aside. The exemption matter is remitted to the Committee for a new hearing to determine what additional portions, if any, should be exempted from taxation over and above the parts the assessor had already determined qualified for an exemption.

[26] In the circumstances at hand, there shall be no costs for this appeal or on the application for leave to appeal.

“Tholl J.A.”

Tholl J.A.

I concur.

“Schwann J.A.”

Schwann J.A.

I concur.

“Kalmakoff J.A.”

Kalmakoff J.A.