



Tax Invoices, Assessment Notices and Exemption

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NAME CHANGE:

Although the church changed its name to Community of Christ, title to real estate continues to be held as “REORGANIZED CHURCH OF JESUS CHRIST OF LATTER DAY SAINTS.” It is very important that the name “Reorganized Church of Jesus Christ of Latter Day Saints” remain unchanged, on tax invoices and assessments, as this is how title (deed) is held. Changing the name on tax invoices and/or assessment notices has, in some instances, confused city and/or county authorities and they assume the church was sold to another entity. This has caused the loss of real estate tax exemption on the church’s property. Resolving the ownership issues with the tax authorities and reinstating the exemption can take several months and requires additional expenses.

REAL ESTATE TAX EXEMPTION APPLICATIONS

A church facility is not automatically exempt from paying real estate taxes just because it is a church. Application for exemption must be completed and approved by the taxing authority. Applications can be obtained from either the county appraiser or tax office, depending on the county. The application for exemption can be requested by the Congregation; however, it is to be mailed to Legal Services for completion. Legal Services will attach required documents and the Presiding Bishop will sign as owner of the property.

ASSESSMENT/LEVY AGAINST PROPERTY

Churches are not exempt from paying an assessment/levy. Assessments and levies are taxes that are paid by property owners when improvements have been made by the city, county, or state, that will affect the owner’s property. Some examples of these types of improvements are new sidewalks, widening the road or new curbs. Other types of assessments can be fire protection, sewer/water drainage, etc.



VACANT LOTS

Some Congregations may have a vacant lot that sits directly adjacent to the church, or across the street. Most counties do not allow a vacant lot to be exempt from real estate taxes just because it is owned by a church. The use of the vacant lot determines whether or not the county allows an exemption. Suggested uses that a Congregation may want to consider for a vacant lot which may help obtain a real estate tax exemption could be:

1. over-flow parking for church members
2. worshipers path, (maze)
3. meditation garden
4. children’s play area
5. wedding grove
6. campsite area with benches and possibly a fire pit (if allowed)

RESIDENTIAL RENTAL PROPERTIES

Congregations may have residential buildings that are being leased to individuals or families. A residential property will not be exempt from real estate taxes just because it is owned by a church. The purpose and use of a property must be religious or charitable in order to be exempt.

TAX INVOICES AND ASSESSMENT NOTICES

Legal Services has attempted to have taxing authorities, throughout the U.S., mail tax invoices and assessment notices directly to our office. Due to the frequent changes of Congregational leadership, as well as Mission Center officers there is less chance of a tax bill or assessment being overlooked if sent to Headquarters. Once a tax invoice or assessment is received Legal Services will make a copy for the property file and forward the original directly to the Congregation for payment. We realize there are some tax invoices and assessment notices that are being mailed to and paid directly by the Congregations. It is important that copies of the paid tax bill be sent to Legal Services for placement in the corresponding property file. This is the only way in which Legal Services is able to monitor and keep track of what church properties are exempt.

If you have questions regarding tax invoices and/or assessments please contact Legal Services at 1-800-825-2806, Ext. 2217.