

CARING FOR UNPAID REAL PROPERTY TAX

SCENARIO 1: When tax is due on property presently used for congregation meetings.

Find out from the local tax office whether the amount due is: (1) a special assessment; or (2) real property tax.

(1) If the amount due is for a special assessment, verify that all property owners in the vicinity, including churches, are required to pay the assessment. Ask also about its purpose, for how long it will be assessed, to whom it applies, and the annual cost. Contact the U.S. Legal Department if necessary.

(2) If the amount due is for unpaid property tax, find out why the congregation property is not exempt.

- (a) Ask for an exemption application.
- (b) Ask for a printed bill or account summary. It is important to find out the total tax amount and for what years taxes are due.
- (c) Ask how the exemption can be restored for the years with unpaid taxes.
- (d) Find out when tax sale proceedings will begin, if applicable.
- (e) If the tax office says that the unpaid tax cannot be canceled, find out the reason, including any applicable statutory references. Call the U.S. Legal Department with the information outlined above.
- (f) Complete the exemption application without delay and submit any requested documentation to the tax office.

SCENARIO 2: When tax is due on vacant property or on Kingdom Hall property no longer used for congregation meetings.

Any special assessment or real property tax that is lawfully owed by the congregation should be paid right away. Contact the U.S. Legal Department if you need assistance determining the validity of a tax assessment.

DEFINITIONS

Special assessment. A charge levied on landowners to cover the cost of public projects, such as for sewer and water system improvements, roads and streets, public utility upgrades, and fire districts. Such improvements are generally paid by those who benefit from the improvements. Charges for special assessment charges are often included on real property tax bills. Congregations are rarely exempt from paying special assessments.

Real property tax. A tax levied on landowners based on the value of the land and any improvements. Congregations generally qualify for exemption from real property tax only on property that is *actively used* for religious worship. In some states, vacant land that is intended to be used for a religious purpose may qualify for exemption. However, vacant land held without definite and verifiable plans for future development and properties no longer used by the titleholder for meetings do not generally qualify for exemption.
