



PROPERTY TAX OVERVIEW FOR BR-KC CHURCHES

ABSTRACT

Based on a Property Tax Seminar held in February 2019 with Attorney James Freeman of Swanson Bernard Law Firm

For additional information, contact Jennifer Hutton at 816-623-5360.

Property Tax Information for BR-KC Churches

Over the past few years, Jackson County has begun to change its exemption process resulting in some of our churches being caught unaware. As a response to recent requests from our churches for information and help, BR-KC hosted a property tax seminar in February of 2019 bringing in an area attorney that specializes in property law. James Freeman III, with the firm of Swanson Bernard, led the three-hour seminar going over important property tax topics such as Classifications, Exemptions, Reassessment Processes, Dispute and Appeal Process, Application Tutorials and more!

“You don’t have a ‘right’ to an exemption. The government has to give it to you. You have to prove to the County that an exemption is deserved.” ~ James Freeman III

The following information is a summary of the points covered in the seminar. The pages following this summary include both James’ presentation and hand-outs.

Real Property

Real Property can be reassessed upon transfer of ownership or effective January 1st of each odd-numbered year. The days of churches real estate remaining tax exempt in perpetuity without periodic renewal applications are gone. But just because your church doesn’t receive notice of a tax-exempt status change, doesn’t mean there wasn’t one. Everyone has a responsibility to be proactive and check the Jackson County website to confirm that your church’s status is still considered exempt. This should be done before April 30th of each year.

When an exempt organization purchases real property that is taxable at the time of purchase, an application for tax exempt status should be filed immediately. But be aware that the tax-exempt status will not change until January 1st of the following year. The church will owe taxes for the portion of the year from purchase date to December 31st.

When requesting an exemption for real property, either for the first time or for a renewal, here are some key points to remember:

- The property must be actually and regularly used for the exempt purpose and that exempt use must be the “primary and inherent use” of the property, not just a secondary or incidental use;
- The property must be owned and operated on a not-for-profit basis; and
- The dominant, or main use of the property must be for the benefit of an indefinite number of people and must directly or indirectly benefit society.

There are multiple classifications of property and exemptions. Occasionally real property gets misclassified. This usually arises when land is vacant or when improved properties are in a state of transition. It is important to remember that classification is based upon actual use and the assessor does not have to classify all land and property owned by a church the same. If your church building sits on acreage, the County may decide that the exempt classification applies only to the building and immediate yard but not for surrounding land. This problem arises when vacant land or property does not clearly fall within residential, agricultural or commercial use, OR there is no evidence that the entire property is being “actually and regularly used for the exempt

purposes". This has happened to a few churches in our own Association. If you don't agree with how your property is classified, there is a dispute and appeals process.

Additionally, a few of our churches have been caught off-guard when the County asks for an Exemption Declaration to be completed and the deadline is missed. This results in tax being assessed on the property for the entire year. In many cases, this can mean tens of thousands of dollars. There is an appeal process for this as well but the best chance at success would be to get legal representation.

James suggested that for those churches that missed the prior year deadline and for which the Board Of Equalization (BOE) has declined to hear a late appeal, they could file suit immediately in the circuit court in which they are located seeking a judicial judgment that they are exempt and were exempt as of 1/1/prior year. However, there is no guaranty of success and an incorporated church would have to be represented by a licensed attorney.

Personal Property

Personal Property is assessed on January 1st of each year. This means that whatever business personal property a church owns on January 1 you will be assessed for the entire year. R.S.Mo. 137.079 (Missouri law) defines Business Personal Property as:

. . . the term "business personal property" means tangible personal property which is used in a trade or** business or used for production of income and which has a determinable life of longer than one year except that supplies used by a business shall also be considered business personal property, but shall not include livestock, farm machinery, property subject to the motor vehicle registration provisions of chapter 301, property subject to the tables provided in section 137.078, the property of rural electric cooperatives under chapter 394, or property assessed by the state tax commission under chapters 151, 153, and 155, section 137.022, and sections 137.1000 to 137.1030.

In very rough layman terms, business personal property = tangible personal property used in the trade or business for the production of income and which has an expected life span greater than one year per the IRS guidelines. If your church has a Personal Property Tax Exemption covering vehicles, Jackson County has begun asking for information on the remaining equipment and furnishings. It is advisable that you contact a CPA who is familiar with the IRS depreciation schedules and regulation if you have questions on how to fill this out. Please be aware that the deadline to submit the exemption declaration is before March 1st of each year.

The depreciation schedules as set forth by the IRS are referenced in <https://www.irs.gov/pub/irs-pdf/p946.pdf>.

It is prudent practice for any organization in maintaining its proper accounting (and for insurance purposes) to maintain a schedule/list of assets, which includes purchase date and amount, and to maintain the ongoing depreciation schedule for all such assets, even if the organization would not otherwise be required to maintain the schedule because it is income tax exempt.

James did mention that other counties haven't been as aggressive in changing tax-exempt status as Jackson County. However, we encourage all our churches to be vigilant, regardless of where you are located.

Visit <https://www.jacksongov.org/150/Assessment> for more information and to check the status of your property exemption.

Tax Exempt Status and the Non-Inurement Clause

In a related question, James suggested that churches include the following non-inurement clause in their bylaws. Any 501c3 non-profit organization's net earnings cannot unduly benefit any individual or other person that has a close relationship with the organization or is able to exercise significant control over the organization. Adding this clause to your bylaws will help in getting or keeping your tax exemption.

EXEMPT ACTIVITIES LIMITATION

Notwithstanding any other provision of these bylaws, no director, officer, employee, or agent of the corporation shall take any action or carry on any activity by or on behalf of the corporation prohibited of an organization exempt under Section 501(c)(3) of the Internal Revenue Code or by any organization contributions to which are deductible under Section 170(c)(2) of such Code and Regulations. No part of the net earnings of the corporation shall inure to the benefit or be distributable to any director, officer, employee, agent, or other private person, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the Articles of Incorporation and these bylaws.

Content provide by:



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A member of MERITAS – LAW FIRMS WORLDWIDE

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PROPERTY TAX FOR MISSOURI CHURCHES

James F. Freeman III

SWANSON  **BERNARD**

It was the best of times, it was the
worst of times, it was the age of
wisdom, it was the age of
foolishness ...

Charles Dickens

Reassessment Process

Tax Formula

\$ market value x assessment level x tax rate = \$ tax \$100
(Res – 19%, Ag – 12%, Comm. 32%, Pers Prop – 33 1/3%)

Tax Day

January 1 of each year – owned and its condition
Real property is reassessed January 1 of each odd-numbered year

Appraised Value

An estimate of a property's fair market value. Appraised value is the TOTAL value of the property – the price a property would bring when offered for sale by one willing or desirous to sell and bought by one who is willing or desirous to purchase but who is not compelled to do so.

a/k/a Fair Market Value

a/k/a True Value in Money

Bulk Sale Discount

Ag Land is appraised based upon the land's productive capability and not fair market value

Appeal Process

Informal Meeting. First, a taxpayer meets with the assessor in an informal meeting.

Board of Equalization. Second, if a satisfactory resolution is not reached at the informal meeting, he may then appeal to the county board of equalization. **State Tax Commission.** Third, if still dissatisfied, the taxpayer may file an appeal with the State Tax Commission.

Judicial Review. Finally, anyone unhappy with a State Tax Commission decision is entitled to judicial review (Section 536.100, RSMo).

Common Errors in Reassessment

Overvaluation – taxpayer claims property valued above
market value
Misclassification
Discrimination/Uniformity
Exemption

As a general rule, classification issues usually arise when land is vacant or when improved properties are in a state of transition. Another general rule is that improved properties which are not in a state of transition are probably being utilized at their highest and best use.

With the exception of agricultural properties, classification is based upon "highest and best use." Highest and best use is a term of art which means that use which is (1) physically possible; (2) legally permissible; (3) financially feasible; and (4) maximally productive. *The Appraisal of Real Estate*, Tenth Edition, The Appraisal Institute 1992, p. 280. In short, what legal use will produce the best return on the property in the reasonably near future? Case law suggests that the "reasonably near future" means within the current assessment cycle.

Misclassification/Agricultural Grade:

Usually arises when land is vacant or when improved properties are in a state of transition.

Classification based upon actual use

Agricultural land

Agricultural land grades

Use Classification/Change of Use

The most frequent classification problems arise out of the statutes dealing with agricultural properties. Section 147.016(2), RSMo states that agricultural and horticultural property is:

all real property used for agricultural purposes and devoted primarily to the raising and harvesting of crops; to the feeding, breeding and management of livestock; to dairying; or to any other combination thereof....

It is not uncommon to find a tract of agricultural land in an otherwise residential or commercial area. For example, to insure an agricultural classification a landowner can cut hay off the land, maintain a small truck garden, or fence the land and keep livestock. Thus, prime commercial land is being classified as agricultural land, or someone's estate home abutting five acres of agricultural land because they keep a horse for their kids.

The other significant classification problem involves vacant land or property that does not clearly fall within residential, agricultural or commercial use. An analysis as to the property's most suitable economic use is needed to determine classification.

Factors are set out in Section 137.016(3).3, RSMo, and include:

- Immediate prior use, if any, of such property;
- Location of such property;
- Zoning classification of such property; except that, such zoning classification shall not be considered conclusive if, upon consideration of all factors, it is determined that such zoning classification does not reflect the immediate most suitable economic use of the property;
- Other legal restrictions on the use of such property;
- Availability of water, electricity, gas, sewers, street lighting, and other public services for such property;
- Size of such property;
- Access of such property to public thoroughfares; and
- Any other factors relevant to a determination of the immediate most suitable economic use of such property.

Exemptions:

Charitable

Religious

Educational:

Schools

Educational Organizations

Exemptions are not favored in the law, so the burden is on the taxpayer to establish that he or she is entitled to an exemption.

Some properties are specifically exempted within Section 137.100, RSMo. Those properties include land belonging to the state or a political subdivision; nonprofit cemeteries; and properties used exclusively for agricultural or horticultural societies organized within the state. These exemptions are fairly straight-forward and should not be difficult for an assessor to recognize.

A bigger problem occurs when that taxpayer alleges he or she is entitled to an exemption because the property is used for religious worship, for education, or for other charitable purposes under Sections 137.100(5) and 137.101, RSMo.

The keys to remember are:
The property must be actually and regularly used for the exempt purpose and that exempt use must be the "primary and inherent use" of the property, not just a secondary or incidental use.

The property must be owned and operated on a not-for-profit basis; and

The dominant, or main, use of the property must be for the benefit of an indefinite number of people and must directly or indirectly benefit society generally.

Over the past 20 years, Missouri courts have refined and expanded the statutory language on several occasions.

The controlling case is Franciscan Tertiary Province of Missouri, Inc. v. STC, 566 S.W.2d 224 (Mo. banc 1978).

The *Franciscan* Test:

Owned and Operated on a not-for-profit basis

Dedicated unconditionally to charitable activities; AND

Dominant use must be for the benefit of an indefinite number of people and there must be a direct or indirect benefit to society.



Google Maps

Google Maps

2/28/2010

Image courtesy of Google Maps data as of 2/28/2010

https://www.google.com/maps/@38.1038103810381038,-91.55555555555555,11.35z

10

Informal Meeting:

Once the assessor becomes aware that the taxpayer will dispute value, the assessor should take a conciliatory role, attempting to determine why the taxpayer believes the property to be overvalued. Occasionally, a property will have a flaw, which is not evident from a drive-by inspection and which, if factored into the appraisal process, would result in a lower value.

This practice of early dispute resolution benefits the assessor in a number of ways: (1) it is good public relations; (2) it saves a vast amount of time for the parties and the reviewing tribunals; and (3) it saves money which might be spent on lawyers and fee appraisers.

MUST first appeal to the Board of Equalization

EXCEPT:

A taxpayer seeking EXEMPT status may go straight to the Circuit Court

If the valuation increased or property was assessed for first time AND the taxpayer was not provided proper NOTICE may appeal direct to State Tax Commission without using BOE

The taxpayer has the burden of proof - must present evidence which is substantial and persuasive in support of its position. "Substantial" evidence can be defined as such relevant evidence as a reasonable mind might accept as adequate to support a conclusion. See, *Cupples-Hesse Corporation v. State Tax Commission*, 329 S.W.2d 696, 701 (Mo. 1959). "Persuasive" evidence is that evidence which has sufficient weight and probative value to convince the trier of fact. The persuasiveness of evidence does not depend on the quantity or amount thereof but on its effect in inducing belief. *Brooks v. General Motors Assembly Division*, 527 S.W.2d 50, 53 (Mo. App. 1975).

Tax Exemption Deadline

Effective March 1, 2017, the Jackson County Assessment Department no longer accepts any exemption application for any prior tax year. All exemption applications received will be considered for current and/or future tax years only.

The deadline to file all 2019 exemption applications is March 1, 2019. This includes all Real Property Exemptions and all Business Personal Property Exemptions. If you have

questions you may contact: Christina Drews, Exemptions

Analyst CDrews@jacksongov.org or 816-881-3255.

2019 Application For Real Property Tax Exemption

Jackson County, Missouri

2019 Application For Personal Property Tax Exemption

Jackson County, Missouri

Questions?

James F. Freeman III



SAMPLE LETTER

JAMES F. FREEMAN III
Direct Dial (816) 886-4810

Admitted in Kansas and Missouri
E-mail: jfreeman@swansonbernard.com

August 13, 2015

Mr. David Cox, County Assessor
Platte County Administration Building
415 Third St., Room 115
Platte City, Missouri 64079

Re: Arisen Baptist Church, a Missouri Non-Profit corporation

Dear Mr. Cox:

Per my prior correspondence, Arisen Baptist Church ("Arisen"), a Missouri nonprofit corporation, retained our firm related to the transfer of real estate located at 123 Any Street, Anytown, Platte County, Missouri 64000, to it from the First Baptist Church of Anytown, Missouri, an administratively-dissolved Missouri nonprofit corporation.

Pursuant to Article 10, Section 6 of the Missouri Constitution and RSMo. § 137.100(5), CrossRoads requests the property transferred retain its tax-exempt status in that the property has been and will continue to be actually and regularly used exclusively for religious worship or for purposes purely charitable and not held for private or corporate profit.

The following to support the request are enclosed:

1. Platte County Application for Real Property Tax Exemption for the Year 2015;
2. Certificate of Incorporation – Missouri Nonprofit for Arisen;
3. Articles of Incorporation for Arisen;
4. The Missouri Baptist Convention's state tax exemption, under which umbrella exemption Arisen operates;
5. The Missouri Baptist Convention's federal tax exemption, under which umbrella exemption Arisen operates;
6. Bylaws of Arisen;
7. Doctrinal Statement of Arisen; and
8. Copy of the Deed, which contains the legal description.

Please note an income and expense statement has not been provided, in that it is our belief that production of an income and expense statement is a requirement not set forth as a basis for the exemption under RSMo. § 137.100(5) but instead is in addition to, and therefore is legally improper. In addition, it is Arisen's belief that such a request would result in excessive entanglement of the State in Arisen's operations and as such violates its various protected U.S. First Amendment and Article 1, Sections 5-9, Missouri State Constitution rights. See, for

Mr. David Cox, County Assessor
August 13, 2015
Page 2

example, *NAACP v. Alabama*, 357 U.S. 449 (1958). Arisen believes such a request and requirement runs afoul of the Religious Freedom Restoration Act and RSMo. § 1.302, in that it is not essential to further a compelling governmental interest. If your office disagrees, please advise immediately so that we may meet and discuss.

Your courtesies are welcomed.

Sincerely,

SWANSON MIDGLEY, LLC

James F. Freeman III

JFF/dkr
cc: Arisen Baptist Church

INSTRUCTIONS
FOR COMPLETING A JACKSON COUNTY APPLICATION FOR REAL PROPERTY TAX EXEMPTION
NON-PROFIT ORGANIZATIONS OR IRS 501(C)3 DISREGARDED ENTITIES

GENERAL

These instructions apply only to non-profit organizations. Properties owned by individuals will not qualify for the type of tax exemption for which these instructions pertain.

Only property owned by a non-profit organization, for charitable or religious use, on January 1st of a given year may qualify for tax exemption (for that year) through this application process. If the property is owned by a for-profit entity that is a "disregarded entity" owned/controlled by a non-profit 501(c)3 entity recognized by the IRS for IRS taxation purposes, you must attach relevant tax returns and documentation from the IRS for the past three (3) years or for such lesser period since the disregarded entity status was recognized by the IRS.

Ref; Article 10 Sec.6 Mo. Constitution and Missouri Revised State Statutes 137.100 & 137.101

NAME OF ORGANIZATION

The organization applying for tax exemption should be the owner of the real-estate for which you are requesting tax exemption consideration.

MAILING ADDRESS

Provide the mailing address you want used when responding to your application. If after your application has been filed you require a change of mailing address, you must send this request in writing to this office. The mailing address on the application for tax exemption will not affect the mailing address on our tax records.

OFFICE PHONE NUMBER & ALTERNATE PHONE NUMBER

A telephone number that will reach a representative of the applicant during the hours of 8AM to 5PM must be supplied.

Email Address

Email is the preferred method of contact. Please provide a valid email address that will be checked regularly.

SITUS ADDRESS (PHYSICAL LOCATION)

Provide the physical address of the property for which you desire tax exemption consideration. If you are requesting exemption consideration on more than one address it is required that you file separate applications.

PARCEL IDENTIFICATION NUMBER/ACOUNT NUMBER/PROPERTY NUMBER

The parcel identification number is the map number assigned to a specific legal description. You can get this from your tax bill or receipt.

LEGAL DESCRIPTION

The legal description is found on the deed recorded transferring the property to your organization. This can be found on the county website, the tax bill, or the deed.

1) TYPE OF ORGANIZATION (E.G., CHURCH, SCHOOL, CIVIC, SOCIAL, FRATERNAL, EDUCATIONAL, ETC).

Provide the type of organization that best describes the applicant.

2) PURPOSE OF ORGANIZATION

Provide the organization's purpose for existence. If the applicant is incorporated, the purpose is typically found in your articles of incorporation. The applicant may have a mission statement or by-laws that state the purpose. You may choose to provide your response in your own words.

3) IS THE ORGANIZATION NOT-FOR-PROFIT? Yes/No

Check either yes or no.

4) IN WHAT NAME IS THE DEED TO THE PROPERTY RECORDED.

Provide the exact name listed on the deed prepared when acquiring this property. If the applicant is the current owner, the applicant is the grantee on the deed. If you require a copy of the deed you may visit our web site at www.jacksongov.org. Go to Records of Deeds.

5) IF APPLICANT IS NOT THE LEGAL DEED HOLDER, UNDER WHAT ARRANGEMENT DO THEY USE THE PROPERTY?

Please attach a copy of all agreements and /or leases etc.

If the applicant is not the legal deed holder, provide an explanation as to why the owner is not completing the application.

6) FOR WHAT ACTIVITIES IS THE PROPERTY USED BY THE APPLICANT?

Your answer to this question will be verified prior to the exemption decision. List all activities being conducted on this property. If various activities are conducted or were initiated at different times, state this. We will verify the use of the property on January 1st of the current year. If an activity began after January 1st you must make it clear.

7) DATE THE ABOVE MENTIONED USE BEGAN.

For each activity you have listed in your response to #7, state the date that this use began.

8) WHAT IS THE CONTEMPLATED FUTURE USE OF THE PROPERTY?

State in your own words what use(s) of the property are anticipated for the future. An estimated date should be supplied if a change in use is anticipated.

9) IS THE OWNER/APPLICANT REGISTERED WITH THE STATE OF MO AS A FOREIGN CORPORATION?

Answer yes or no. If you answer yes, provide a copy of the foreign corporation registration or certificate.

If the applicant is incorporated and was incorporated in another State, and the corporation is doing business in Missouri, typically the corporation would register with the State of Missouri as a foreign corporation.

10) IS THE OWNER/APPLICANT AN L.L.C.?

Is the owner registered with the State of Missouri as a Limited Liability Company (L.L.C.?)

Answer yes or no. If you answered yes, respond to questions A through D.

- A. Provide a list of the L.L.C. members.
- B. Are the L.L.C. members non-profit corporations? Answer yes or no.
- C. Does the State and the Federal Government consider the owner/applicant a disregarded entity? Answer yes or no. The State and Federal Government would have provided a response to the owner/applicant's request to be considered a disregarded entity. Provide a copy of that response.
- D. Does the L.L.C. file federal tax form #8832? Answer yes or no.

11) WHO ARE THE PEOPLE BENEFITED OR SERVED BY THE USE OF THE PROPERTY?

In your own words provide your response.

12) DOES THE PROPERTY GENERATE ANY INCOME (OTHER THAN DONATIONS)?

YES/NO

IF YOU ANSWERED YES COMPLETE A. & B.

A. FROM WHAT SOURCE IS THE INCOME GENERATED?

Provide a list of all sources of income other than donations. If income is generated from leases, rental, fees provide a copy of all agreements.

B. FOR WHAT IS THE INCOME USED?

Provide in your own words how this income is spent.

13) IS THERE ANY OTHER ORGANIZATION OR BUSINESS USING THIS PROPERTY?

YES/NO

IF YOU ANSWERED YES TO THE ABOVE QUESTION, PLEASE GIVE DETAILS ON A SPERATE SHEET OF PAPER. INCLUDE PROFIT AND LOSS STATEMENTS, DETAILED LIST OF FUNDING SOURCES AND EXPLANATION OF THE USE OF THE INCOME.

14) IS ANY PART OF THE PROPERTY USED AS A RESIDENCE? YES/NO

IF YOU ANSWERED YES, YOU MUST PROVIDE AN ANSWER TO A, B, & C

15) DO YOU CHARGE A DIFFERENT FEE, FOR THE SERVICES YOU PROVIDE, TO THOSE WHO PERSONALLY PAY, FROM THOSE WHO QUALIFY FOR GOVERNMENT PAYMENT/SUBSIDIES?

Answer yes, no or not applicable. If your answer is yes, provide a copy of all your fee structures. Include your written policy used to determine your payment source.

16) DOES YOUR ORGANIZATION DENY SERVICES OR TURN AWAY ANYONE?

ANSWER YES, NO OR NOT APPLICABLE.

IF YOU ANSWERED YES, PROVIDE THE CIRCUMSTANCES THAT DETERMINE THE DENIAL OF SERVICES.

17) THE APPLICANT MUST SUBMIT THE FOLLOWING DOCUMENTS:

All of the requested documents must be submitted with your completed application. If the applicant does not have any of the required documents you must state which items do not apply and why.

The application must be signed. An incomplete application or an unsigned application will result a denial or the return of your application without a review.

If you have questions in completing the application you may contact:

Christina Drews Telephone- 816-881-3255

E-mail- Cdrews@jacksongov.org

Note: Be concise, neat and legible.



2019 Application For Real Property Tax Exemption
- Jackson County, Missouri -

Name of the Organization: Exactly as name appears on SOS Registration

Contact Name: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Office Phone: _____ ^{cell} Alternate Phone: _____

E-mail Address: _____

Situs Address (physical location of property):

Adjoining parcels can use one application but better to fill out one form per parcel.

Parcel Identification Number: _____

* Jackson County Property Tax Search (see below)

1. Type of organization (e.g., church, school, civic, medical, fraternal, educational, etc.)

church

3. Is the owner exempt from state and federal income tax?

☒ Yes, under IRS code 501(c) 3

☐ No.

4. Is the organization that is applying for this exemption the legal deed holder?

☒ Yes.

☐ No, the legal deed holder is: _____

5. Under what arrangement does the applicant use the Property? owner

Attach copies of all agreements or leases

6. For what activities is the property used? (Be detailed and specific as to the **activities and use of this property only**. Do not give broad conclusions, such as "charitable", "worship" or "public use"). Attach additional sheets if necessary.

sample For the corporate worship of our Lord Jesus by regular worship services including Sundays, Wednesdays, Small Groups, Weddings, Funerals, Counseling (list other activities that benefit the community).

1

* may be 2 parcel numbers - one for real and one for personal



2019 Application For Real Property Tax Exemption
- Jackson County, Missouri -

7. On what date did this use begin (listed in 6. above)? Date property acquired

8. What is the contemplated future use of the property? Continuing of activities listed under #6 plus any other activities led by the Holy Spirit

9. Is the applicant registered with the State of Missouri as a foreign corporation?

() Yes. Provide a copy of your Missouri Registration as a Foreign Corporation.

☒ No.

10. Is the owner or applicant an L.L.C.?

() Yes. Please respond to A-D below.

☒ No.

A. Provide a list of your members.

B. Are all LLC members non-profit organizations?

C. Does the State and Federal Government consider the owner/applicant a disregarded entity? () Yes () No

D. Does the LLC file federal tax form #8832? () Yes () No

11. Who are the people benefiting from or served by the use of the property? _____

General Public

12. Does the property generate any income (*other than donations*)?

() Yes. Please respond to A & B below.

☒ No.

A. From what source is the income generated (*e.g. rentals, leases, fees for services*)?

Please provide leases or agreements from all sources of income.

Note: Don't check "yes" unless you have an opinion by legal counsel.

B. What is the income used for? _____

13. Is there any other organization or business using this property?

() Yes. Please give details on a separate sheet of paper including who uses the property and for what purpose.

() No.

14. Is any part of the property used as a residence?

() Yes. Please respond to A-D below.

() No.

personage?



2019 Application For Real Property Tax Exemption
– Jackson County, Missouri –

A. Who uses the property as their residence?

B. Resident(s) connection with the organization.

C. Duties of the resident(s) in connection with the property.

D. Schedule of rents charged or financial arrangements for residency.

15. Do you charge a fee for any of the services you provide?

() Yes. Please respond to A-D below.

() No.

A. Provide your fee schedule including any discounts or sliding scales.

B. Provide a copy of your policy that is used to determine who receives services at a reduced rate.

C. What percentage of your services are provided to those who cannot personally pay? _____%

D. What percentage of your expenses are attributed to your charity/indigent services? _____%

can include rental fees for property use

16. Does your organization deny services or turn away anyone?

() Yes. Provide the circumstances that determine the denial of services.

() No.

Yes but only if stated in wedding policy or building use policy

17. Please provide all documents listed below, that apply to the applicants' organization.

A. Articles of Incorporation and all amendments.

B. Missouri non-profit corporation status from the Secretary of State.

C. Tax-exempt determination by the IRS.

D. The organization's constitution, regulations, or by-laws and all amendments.

E. A current list of all officers, directors, trustees, etc. of the organization.

F. The applicant's income and expense statement for the two most recent tax years. (If use sample applicant is LLC, also supply member's most recently completed 990's)

G. Documentation supporting the use of the property as of January 1 of the current year. - calendar, bulletin, website, etc.

H. Your current operating agreement. (This is only for LLCs.) NA

I. A copy of advertisements, brochures, postings or other notifications of activities - see A above benefitting the community at large or to those receiving indigent services.

J. Supporting documentation that the applicant's contributions received are tax deductible.

They want to see non-impurement clause in bylaws (see summary)

print current from SOS website



**2019 Application For Real Property Tax Exemption
– Jackson County, Missouri –**

COMPLETE AND RETURN TO:

Assessment@jacksongov.org

OR

ASSESSMENT DEPARTMENT

ATTN: EXEMPTIONS

415 EAST 12th STREET

KANSAS CITY, MISSOURI 64106-2752

send with read
receipt requested
or walk into
office

*REFERENCE FOR EXEMPTIONS: SECTION 137.100 AND 137.101, RSMO. ARTICLE X,
SECTION 6, MO CONST. AND APPLICABLE CASE LAW.*

The undersigned declares that all of the statements and representations in this application are within their personal knowledge and are true.

Note: Pursuant to state statute 575.050 and 575.060 RSMO, making a false affidavit or a false declaration is a misdemeanor and subject to criminal punishment.

Applicant or representative (printed): _____

Applicant or representative signature: _____ Date: _____

Title: _____

Rev. 9/2018



2019 Application For Business Personal Property Tax Exemption
– Jackson County, Missouri –

Name of the Organization: Exactly as it appears on SOS Registration

D.B.A (if different from corporate name) _____

Contact Name: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Office Phone: _____ ^{cell} Alternate Phone: _____

E-mail Address: _____

Situs Address (physical location of property):

Parcel (Account) Number: Jackson County Property Tax Search

Date your Organization began activities at this location? _____

1. Type of organization (e.g., church, school, civic, medical, fraternal, educational, etc.)

church

2. Is the business exempt from state and federal income tax?

☒ Yes, under IRS code 501(c) 3.

☐ No.

3. Does the organization that is applying own the real estate where you operate this business?

☒ Yes,

Do you have a real estate exemption with Jackson County?

☒ Yes ☐ No

☐ No, the legal deed holder is: _____

Under what arrangement does the applicant use the Property?

Attach copies of all agreements or leases



**2019 Application For Business Personal Property Tax Exemption
– Jackson County, Missouri –**

4. Is there any other organization or business at the same location?
() Yes. Please list the names of the business and any affiliation they have to your business on a separate sheet of paper
() No.
5. List the furniture, fixtures and equipment which you own on attachment C : This would be desks, computers, sound systems, chairs, etc.

6. Are you requesting an exemption on vehicles?
() Yes. Provide a copy of your Missouri Registration or Title for each vehicle and complete attachment "A"
() No

7. Does your organization lease any property?
() Yes, complete attachment "B"
() No

*copiers, vehicles,
sound system, phone system*

8. How is the above listed personal property used in the business? (Be detailed and specific as to the **activities and use**. Do not give broad conclusions, such as "charitable", "worship" or "public use"). Attach additional sheets if necessary.

8. Is the applicant registered with the State of Missouri as a foreign corporation?
() Yes. Provide a copy of your Missouri Registration as a Foreign Corporation.
(☒) No.

9. Is the owner or applicant an L.L.C.?
() Yes. Please respond to A-D below.
(☒) No.

- A. Provide a list of your members.
B. Are all LLC members non-profit organizations?
C. Does the State and Federal Government consider the owner/applicant a disregarded entity? () Yes () No
D. Does the LLC file federal tax form #8832? () Yes () No

10. Who are the people benefiting from or served by the use of the property? _____



2019 Application For Business Personal Property Tax Exemption
- Jackson County, Missouri -

11. Does the property generate any income (*other than donations*)?

() Yes. Please respond to A & B below.

(X) No.

A. From what source is the income generated (*e.g. rentals, leases, fees for services*)?

Please provide leases or agreements from all sources of income.

Note: Don't check "yes" unless you have an
opinion by legal counsel.

B. What is the income used for? _____

13. Is any part of the property used as a residence?

() Yes. Please respond to A-D below.

(X) No.

Only if you own a
residence

A. Who uses the property as their residence?

B. Resident(s) connection with the organization.

C. Duties of the resident(s) in connection with the property.

D. Schedule of rents charged or financial arrangements for residency.

14. Do you charge a fee for any of the services you provide?

() Yes. Please respond to A-D below.

(X) No.

Can include rental
fee for property use

A. Provide your fee schedule including any discounts or sliding scales.

B. Provide a copy of your policy that is used to determine who receives services at a reduced rate.

C. What percentage of your services are provided to those who cannot personally pay? _____%

D. What percentage of your expenses are attributed to your charity/indigent services?
_____%

15. Does your organization deny services or turn away anyone?

() Yes. Provide the circumstances that determine the denial of services.

(X) No.

check yes only if stated in wedding or
building use policies.



2019 Application For Business Personal Property Tax Exemption
– Jackson County, Missouri –

16. Please provide all documents listed below, that apply to the applicants' organization.

- A. Articles of Incorporation and all amendments.
- B. Missouri non-profit corporation status from the Secretary of State. *- print current from SOS website*
- C. Tax-exempt determination by the IRS.
- D. The organization's constitution, regulations, or by-laws and all amendments. *- should include non-inurement clause*
- E. A current list of all officers, directors, trustees, etc. of the organization.
- F. The applicant's income and expense statement for the two most recent tax years. *- (If use sample letter to not provide)*
- G. Your current operating agreement. *(This is only for LLCs.)*

COMPLETE AND RETURN TO:

Assessment@jacksongov.org
OR
ASSESSMENT DEPARTMENT
ATTN: EXEMPTIONS
415 EAST 12th STREET
KANSAS CITY, MISSOURI 64106-2752

*Email with
read receipt
requested or
walk into
office*

REFERENCE FOR EXEMPTIONS: SECTION 137.100 AND 137.101, RSMO. ARTICLE X,
SECTION 6, MO CONST. AND APPLICABLE CASE LAW.

The undersigned declares that all of the statements and representations in this application are within their personal knowledge and are true.

Note: Pursuant to state statute 575.050 and 575.060 RSMO, making a false affidavit or a false declaration is a misdemeanor and subject to criminal punishment.

Applicant or representative (printed): _____

Applicant or representative signature: _____ Date: _____

Title: _____

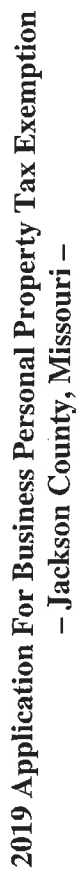
Rev. 9/2018

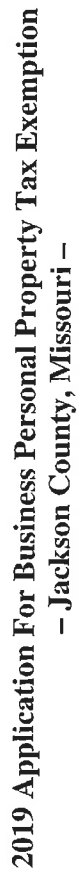
"A"

LIST ALL VEHICLES OWNED AND RETURN WITH APPLICATION

ONLY VEHICLES DEDICATED TO YOUR NONPROFIT USE MAY QUALIFY FOR TAX EXEMPTION

[illegible]

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7

ATTACHEMENT C:

Please note: RSMO 137.122 provides for assessment of Business Personal Property (as defined in RSMO 137.122.1(1)) placed in service after January 1, 2006 using specific rates of depreciation and class life and recovery periods in IRS MACRS (Modified Accelerated Cost Recovery System) tables. The MACRS tables described in RSMO 137.122 are reflected below. If you are unsure what recovery period applies to your property please consult your tax professional or the IRS MACRS tables, which can be found at www.irs.gov. The property can be listed net of any sales tax, installation or freight.

7 YEAR MACR –Includes, but is not limited to, furniture , fixtures and equipment, certain machinery and equipment and certain communications equipment			
Year of acquisition	Cost at 100% of purchase price	% of good factor	Assessed value
2018		89.29% x 33.33%	
2017		70.16% x 33.33%	
2016		55.13% x 33.33%	
2015		42.88% x 33.33%	
2014		30.63% x 33.33%	
2013		18.38% x 33.33%	
2012 and prior		10.00% x 33.33%	
Totals			
5 YEAR MACR - Includes, but is not limited to, certain information systems and data handling equipment (such as computers, calculators, duplicating equipment), certain telecommunications equipment and certain assets used in construction			
Year of acquisition	Cost at 100% of purchase price	% of good factor	Assessed value
2018		85.00% x 33.33%	
2017		59.50% x 33.33%	
2016		41.65% x 33.33%	
2015		24.99% x 33.33%	
2014 and prior		10.00% x 33.33%	
Totals			
3 YEAR MACR – Includes, but is not limited to, certain special tools and devices			
Year of acquisition	Cost at 100% of purchase price	% of good factor	Assessed value
2018		75.00% x 33.33%	
2017		37.50% x 33.33%	
2016 and prior		12.50% x 33.33%	
Totals			
Please include any 10, 15 or 20 year MACR on a separate sheet of paper			

Include schedule supporting dollar figures.