

Minutes of July 11, 2019 Assessors Meeting at Town Hall

Meeting commenced at 5:04 pm

Members present: Bill Cosel, Al Wilcox, & Evelyn Robinson

Voted to accept minutes from previous meeting

New Business:

Notice received from Selectboard about Annual Town Report for FY19, due by July 31. Bill & Evelyn to prepare & submit report.

UMASS-Amherst annual school for Assessors is August 5-9. Schedule of courses given to the Board. No members present will be attending classes this year.

Assessors received notice via certified mail on July 11 from Lamme and Linscott, Attorneys representing Fernside Properties LLC. They requested that the lien on 7 acres, under Chapter 61B, be removed, as the property is being sold with a closing date of August 1. Evelyn informed them by e-mail that liens are not removed simply by request. Laws and procedures must be followed such as the Town's right of first refusal and payment of roll-back taxes. The Selectboard will be discussing this matter at their meeting on July 23. No further action from the Assessors will be taken until they are informed of the Selectboard decision.

The August monthly meeting is cancelled. Next scheduled meeting is September 5th.

Old Business:

Report from Bill Cosel about status of Real Estate tax bills for Tyringham Volunteer Fire Company. Bill & Al will be meeting with the Selectboard on July 23 to review the laws and procedures regarding the Tyringham Volunteer Fire Company, a private organization. TVFC received tax bills for FY19 because they failed to file for an exemption. For decades they had been exempted from paying real estate taxes without filing the proper annual paperwork. When an in-house review was conducted of all personal exemptions, this absence of paperwork, required by law, was discovered. TVFC was informed of this, but failed to file for FY19. With a deadline of March 1, 2019, for the FY20 billing, TVFC filed some, but not all paperwork with the Assessors office on May 23, 2019. Consequently, they will receive a bill for FY20. No further action will be taken by the Board at this time.

The Assessors' report and a compilation of the laws and procedures relative to exemptions is included as part of these minutes as Attachments 1, 2, & 3. The report and attachments will be presented at the Selectboard meeting.

Meeting adjourned at 5:45 pm

Informational session from BOA to BOS, July 23, 2019
Bill Cosel, Chair, BOA

We are here at the request of the Select Board for an information session to explain why the Tyringham Volunteer Fire Company Incorporated received tax bills for FY19 for real property owned, and why they will be receiving bills for FY20.

TVFC is a private organization who owns real estate property. They did not file all necessary paperwork for the exemption they were seeking and did not file by the deadline date; March 1, 2018 (for FY19) and March 1, 2019 (for FY20). (Please see Attachment #1 for Jurisdictional Filing Requirements.) Presently, there is no further action from the Board of Assessors concerning this matter.

The Fire Company, which is an emergency service for our Town, is also a private corporation. TVFC Inc. owns two parcels of real estate in Town, the firehouse and the pavilion. Since TVFC is not a part of Town Government, they are treated like all other property owners for taxation purposes, unless they are granted an exemption by the Assessors. Exemption statutes are strictly construed, and the burden lies with the party seeking an exemption to demonstrate that it qualifies according to the express terms or the necessary implications of a statute providing the exemption. Exemption from taxation is a privilege and the organization must prove clearly and unequivocally that it qualifies.

TVFC received a letter dated November 7, 2018, from the Internal Revenue Service, who determined that they were exempt from Federal Income Tax under IRC Section 501(c)(3). It was further determined that they are a public charity under IRC Section 170. **However, a charitable organization is not automatically exempt from local taxation. It must meet specific eligibility criteria and follow certain procedures to qualify for an exemption.** (Please see attachment #2). **Being a non-profit organization, or exempt from federal or state taxes, is not sufficient criteria.** There have been numerous Appellate Tax Board cases relating to these specifics. (Please see attachment #3)

Over the past two years, the BOA has conducted careful reviews of all Chapter Land and Exempt properties. A number of discrepancies were revealed and addressed. During this review it was discovered that no paperwork existed to support the past history that TVFC should be exempt from local taxes, which over the years resulted in no tax bills.

Our office has researched back through the Board's Minutes and has not found any evidence that TVFC was ever granted a tax exemption by the BOA. The only records found date back 21 years ago, in 1998, when the TVFC filed a 3ABC form but no application or Form PC, including federal 990. In the BOA minutes of 1998, there is no record of a charitable exemption granted.

If Tyringham Volunteer Fire Company Incorporated intends to remain a private corporation seeking an exemption for real estate taxes, they must follow the State Laws relative to exemptions. Period. This means submitting all necessary paperwork by the deadline date. The Board has up to three months to consider the application and follow up with questions concerning financials when reviewing charity criteria set by the DOR. We welcome the TVFC to attend any of the BOA's monthly meetings with future questions.

We have been in contact over the past year with DOR local services on this matter, keeping them up to date and reviewing recent developments.

EXEMPT FROM TAXATION
Massachusetts Association of Assessing Officers
course 200: Principles of Assessing Procedures
Training for Assessors

WHAT IS EXEMPT FROM TAXATION – Commonwealth of MA

1. Governments

2. Charitable –a corporation or trust established for literary, benevolent, charitable, scientific or temperance purposes GL c59 5(3) The organization must be organized for charitable purposes and must actually operate as a public charity. **Being a non-profit org, or exempt from federal or state taxes, is not sufficient...61 MASS. APP. CT. 73 (2004)**

CHARITY is defined as a “gift”...for the benefit of an indefinite number of persons. It includes more than almsgiving and assistance to the needy. It includes a wider field of activities for the improvement of man. The dominant purpose of the organization must be for the public good. Providing commendable, laudable and socially useful services is not sufficient.

The organization must actually operate as a public charity, It must be consistent with its stated charitable purposes and must benefit a sufficiently large or indefinite class such that society at large benefits. The benefit does not have to be to the people in the community granting the exemption, but to the public generally.

If the organization is created and operated primarily for the mutual improvement of its members, or for social and recreational purposes, it is not a public charity for exemption purposes, even if there is some incidental benefit to the public.

3. Fraternal

4. Veterans

5. Religious Org.

TVFC application is for a Charitable exemption

NOTE; This is of first importance to determine exempt status by the BOA

Calendar for exempt Organizations (G.L. c. 59 57) typical scenario

January 1st Date for determining property in return (Form 3 ABC (FY1))

March 1st Property return (Form 3 ABC, with Form PC attached due for next fiscal year (FY1)) As stated on the Filing Application - BOA may extend the filing deadline if the organization makes a written request and can show a sufficient reason for not filing on time. These filing requirements can not be waived by the Assessors for any reason.

July 1st Fiscal year begins (FY1) Date for determining eligibility based on ownership, use and occupancy (FY1)
 Oct 1st Actual tax bill mailed (FY1) AND NOTE
 30 days after actual tax billed mailed is late date assessor may extend deadline for filing property returns (Form 3 ABC FY1)
 November 1 First ½ of payment due (FY1) exemption abatement applications due -FY1
 December 31 Forms 3 ABC mailed to organizations (FY2)
 January 1 Property tax assessment and lien date (FY2) AND
 3 calendar months after applied...assessor grant or deny exemptions (FY1) note, application deemed denied if no decision made (FY1)
 March 1 Property returns (Form 3ABC) with former PC attached due for next fiscal (FY2)

TVFC have failed since calendar year 1997 to submit proper forms.

DETERMINATION OF EXEMPT STATUSES OF A CHARITABLE ORGANIZATION

Did the organization file a property return by March 1st for all personal property and/or parcels of real estate it owned on Jan 1st? NO

Did the organization file an initial exemption application by the abatement filing deadline for the fiscal year for which it first claims a tax exemption on personal property or particular real estate parcel? NO

Personal NOTE from Tax Payer Bill Cosel:

For all the expense, paper work, and effort to NOT be a part of our government, why does TVFC insist on being separate from Town Gvt? One might ask why and for who's benefit OR do we care? The taxpayers seem to be already deeply involved in their solvency. We pay rent to them for housing our fire engines. The Town gave them a deed to land to have a firehouse which they use to garage Town owned fire engines. The Town gave them a deed for Pavilion which has nothing to do with fire protection but to raise money? Where are the steak roasts? What about \$ given in exchange for renting the pavilion for private parties?

TABLE 1. Exempt Charitable, Fraternal, Religious and Veteran Organizations - Jurisdictional Filing Requirements

ORGANIZATION AND PROPERTY	EXEMPTION APPLICATION	PROPERTY RETURN (FORM 3ABC)	PUBLIC CHARITIES REPORT¹ (FORM PC WITH FEDERAL FORM 990)²
Charitable – Personal property G.L. c. 59, § 5(3)	1 st fiscal year exemption claimed by organization	Annual	Annual
Charitable – Real property G.L. c. 59, § 5(3)	1 st fiscal year exemption claimed for particular parcel	Annual	Annual
Fraternal – Personal property G.L. c. 59, § 5(7)	Not required ³	Not required	Not required
Fraternal – Real property G.L. c. 59, § 5(3)	1 st fiscal year exemption claimed for particular parcel	Annual	Not required
Religious – Personal property G.L. c. 59, § 5(10)	Not required ⁴	Not required	Not required
Religious – House of worship or parsonage G.L. c. 59, § 5(11)	Not required ⁵	Not required	Not required
Religious – Other real property G.L. c. 59, § 5(3)	1 st fiscal year exemption claimed for particular parcel	Annual	Not required
Veterans – Real or personal property G.L. c. 59, § 5(5, 5A, 5B, 5C)	Not required ⁶	Annual	Not required

¹ Complete report must be attached to return for annual filing requirement to be met.

² Effective for fiscal years ending on or after December 31, 2010 (first reporting on 5/15/2011), Attorney General no longer requires small organizations (gross support and revenue of \$5,000 or less) to include Form 990 with Form PC.

³ Organization must file timely abatement application if a tax bill is issued for the property.

⁴ Organization must file timely abatement application if a tax bill is issued for the property.

⁵ Organization must file timely abatement application if a tax bill is issued for the property.

⁶ Organization must file timely abatement application if a tax bill is issued for the property.

TABLE 3. Exempt Charitable Organizations – Initial Determination of Exempt Status

<u>DETERMINATION</u>	<u>DOCUMENTATION</u>
<p>1. Did the organization file a property return by March 1 (unless extension approved) for all personally and/or parcels of real estate it owned on January 1?</p>	<ul style="list-style-type: none"> Form 3ABC Form PC, including federal 990 (Complete report must be attached to return for annual filing requirement to be met. Effective for fiscal years ending on or after December 31, 2010 (first reporting on 5/15/2011), Attorney General no longer requires small organizations (gross support and revenue of \$5,000 or less) to include Form 990 with Form PC.)
<p>2. Did the organization file an initial exemption application by the abatement filing deadline for the fiscal year for which it first claims a tax exemption on personally, or particular real estate parcel?</p>	<ul style="list-style-type: none"> Form 1-B-3 (Clause 3 exemption application) or Form 128 (abatement application)
<p>3. Is the organization a charity as of July 1?</p> <ul style="list-style-type: none"> Charitable purpose Operates to benefit public No private inurement 	<ul style="list-style-type: none"> Articles of incorporation or charter Organization's by-laws If charitable trust, the recorded trust and schedule of beneficiaries List of names and residential addresses of current officers and directors or trustees of the organization Certificate of exemption from Massachusetts sales tax Federal exemption 501(c)(3) letter Most recent annual financial report Brochures or literature describing charitable activities
<p>4. Did the organization own each parcel of real estate on July 1?</p>	<ul style="list-style-type: none"> Copy of recorded deed if not yet received from Registry of Deeds
<p>5. Is each parcel of real estate occupied by the organization for its charitable purposes or another charity for its charitable purposes on July 1?</p>	<ul style="list-style-type: none"> Description of organization's use of space If vacant, reason for purchase and plans for use List of tenants, amount of space each rents and how space is used If any tenant claims charitable status, all of the information listed above in item 3

CHARITABLE ORGANIZATIONS (M.G.L. c. 59, § 5, Clause 3)	
Definition of Charitable Organization	<p>A charitable organization for property tax exemption purposes is a corporation or trust, established for literary, benevolent, charitable, or temperance purposes. Non-profit status is not sufficient, nor is exempt status for state or federal tax purposes. The organization must be organized for charitable purposes and must actually operate as a public charity. Its dominant purposes and activities must benefit the public at large, not just a limited group of people. In addition, its income and assets cannot be distributed to officers, directors or shareholders while it operates or when it dissolves, nor used for non-charitable purposes.</p> <p>Examples of charitable organizations include non-profit, private schools, colleges, universities, hospitals, museums and cultural facilities. Trade groups, professional associations or social clubs generally do not qualify since they operate primarily for the benefit of their members.</p>
Personal Property	All personal property owned by a charitable organization is exempt, regardless of use.
Real Property Used for Charitable Purposes	Real estate (a) owned by, or held in trust for, a charitable organization, and (b) occupied by the organization, or its officers, for its charitable purposes, or occupied by another charity, or its officers, for its charitable purposes, is exempt.
Real Property Acquired for Charitable Purposes	<p>Real estate bought by a charitable organization with the intention of future relocation for charitable use is exempt even if not occupied immediately. If not occupied for charitable purposes within two years of the acquisition, however, it is taxable until it is so used.</p> <p>If the legislative body of the city or town has voted, subject to local charter, to accept this local option, real estate owned by, or held in trust for, a charitable organization that (a) is held to create community housing, as defined for Community Preservation Act purposes in <u>M.G.L. c. 44B, § 2</u>, and (b) was purchased from an entity that acquired it by a mortgage foreclosure sale, is exempt until the developed housing is rented or sold, but no more than seven years from acquisition.</p>
Other Real Property	All other real property owned by a charitable organization is taxable. This includes property (a) leased to individuals and non-charitable entities, (b) occupied or used for non-charitable purposes, or (c) acquired by the organization after July 1. Real property owned by a taxable individual or entity and leased to or occupied by the organization is also taxable. The charity's liability for taxes is determined by the lease or other agreement.

<p>Charitable Organizations</p>	<p>A charitable organization claiming exemption for the first time for any property, or a parcel of real property not previously exempt, must apply to the assessors. Once an exemption is established for that property, no further application is required, provided there is no change in ownership, occupancy or other eligibility criteria.</p> <p>If a tax bill is issued for any property in any fiscal year, however, the organization must apply on or before the due date for abatement applications for that year in order for the assessors to grant the exemption. Abatement applications are due the same day as the first installment payment of the actual, not preliminary, tax bill for the fiscal year. Applications may be made using State Tax Form <u>1-B-3</u> (charitable exemption application) or <u>128</u> (abatement application).</p> <p>The organization must also provide whatever supporting information is reasonably required to establish eligibility. This information may include, but is not limited to:</p> <ul style="list-style-type: none"> • Articles of incorporation, charter or declaration of trust. • Organization by-laws. • Identification of officers, directors or trustees. • Description of charitable activities. • Description of the use of the property, including use by all lessees or other occupants. <p>Some assessors may review applications and supporting documentation before tax bills are issued and make a preliminary determination of your organization's eligibility for exemption.</p>
<p>Payment of Tax</p>	<p>Filing an exemption application does not stay the collection of the tax. Your organization may have to pay the tax when due in order to preserve its right to appeal the assessors' disposition of its application. (See APPEALS). Failure to pay the tax may also subject your organization to interest and collection costs. To avoid additional charges, collection action or loss of appeal rights, the tax should be paid when due. If the exemption is granted, a refund will be made.</p>
<p>Action on Application to Assessors</p>	<p>The assessors have three months (unless extended by written consent of your organization) to act on the application. The assessors must send a notice within 10 days of their decision. If the assessors do not act within the three month (or extended) period, your application is deemed denied.</p>

V. Burden of Proof for Right of Exemption.

A. The statute (G. L. c. 59, sec. 2):

“all property, real and personal, situated within the commonwealth...unless expressly exempt shall be subject to taxation....”

B. Judicial application:

1. Massachusetts courts have consistently applied the well-established principle that “[e]xemption from taxation by statute is to be strictly construed.” Children’s Hospital Medical Center v. Board of Assessors of Boston, 388 Mass. 832, 838 (1983).
2. It is also a “well-established rule that a party claiming exemption bears a grave burden of proving the claim.” Harvard Community Health Plan, Inc. v. Board of Assessors of Cambridge, 384 Mass. 536, 543 (1981).
3. Furthermore, “[a]ny doubt must operate against the one claiming tax exemption.” Boston Symphony Orchestra, Inc. v. Board of Assessors of the City of Boston, 294 Mass. 248, 257 (1936).
4. In addition, “[a] taxpayer is not entitled to an exemption unless he shows that he comes within the express words or the necessary implication of some statute conferring this privilege upon him.” Animal Rescue League v. Board of Assessors of Bourne, 310 Mass. 330, 332 (1941).
5. The Supreme Judicial Court has stated, “[e]xemption from taxation is a matter of special favor or grace. It will be recognized only where the property falls clearly and unmistakably within the express words of a legislative command.” Western Massachusetts Lifecare Corp. v. Board of Assessors of Springfield, 434 Mass. 96, 102 . (*Citations omitted.*)
6. The inquiry does not end with the organizational documents, however, since the organization “must prove that it is in fact so conducted that in actual operation it is a public charity.” Jacob’s Pillow Dance Festival, Inc., v. Assessors of Becket, 320 Mass. 311, 313 (1946). There the Supreme Judicial Court further stated that “[t]he necessity that an alleged charity fall clearly and unequivocally within the exempt class has been repeatedly stressed in our decisions.” Id. (*Emphasis added*)

CHARITABLE ORGANIZATIONS (M.G.L. c. 59, § 5, Clause 3)	
Definition of Charitable Organization	<p>A charitable organization for property tax exemption purposes is a corporation or trust, established for literary, benevolent, charitable, or temperance purposes. Non-profit status is not sufficient, nor is exempt status for state or federal tax purposes. The organization must be organized for charitable purposes and must actually operate as a public charity. Its dominant purposes and activities must benefit the public at large, not just a limited group of people. In addition, its income and assets cannot be distributed to officers, directors or shareholders while it operates or when it dissolves, nor used for non-charitable purposes.</p> <p>Examples of charitable organizations include non-profit, private schools, colleges, universities, hospitals, museums and cultural facilities. Trade groups, professional associations or social clubs generally do not qualify since they operate primarily for the benefit of their members.</p>
Personal Property	All personal property owned by a charitable organization is exempt, regardless of use.
Real Property Used for Charitable Purposes	Real estate (a) owned by, or held in trust for, a charitable organization, and (b) occupied by the organization, or its officers, for its charitable purposes, or occupied by another charity, or its officers, for its charitable purposes, is exempt.
Real Property Acquired for Charitable Purposes	<p>Real estate bought by a charitable organization with the intention of future relocation for charitable use is exempt even if not occupied immediately. If not occupied for charitable purposes within two years of the acquisition, however, it is taxable until it is so used.</p> <p>If the legislative body of the city or town has voted, subject to local charter, to accept this local option, real estate owned by, or held in trust for, a charitable organization that (a) is held to create community housing, as defined for Community Preservation Act purposes in M.G.L. c. 44B, § 2, and (b) was purchased from an entity that acquired it by a mortgage foreclosure sale, is exempt until the developed housing is rented or sold, but no more than seven years from acquisition.</p>
Other Real Property	All other real property owned by a charitable organization is taxable. This includes property (a) leased to individuals and non-charitable entities, (b) occupied or used for non-charitable purposes, or (c) acquired by the organization after July 1. Real property owned by a taxable individual or entity and leased to or occupied by the organization is also taxable. The charity's liability for taxes is determined by the lease or other agreement.

ANNUAL RETURNS	
Charitable Property Return (Form 3ABC)	<p>A charitable organization owning property on January 1 for which it claims exemption for the fiscal year beginning on the following July 1 must file a charitable property return (Form <u>3ABC</u>) listing the property. A religious organization must file the return only if it claims a charitable exemption for real property other than a house of worship or parsonage.</p> <p>The return must be received in the assessors' office by March 1. The assessors may extend that deadline if the organization makes a written request and demonstrates a good reason for not filing on time. The latest the filing deadline can be extended is to the last day for applying for abatement of the tax for the fiscal year to which the return relates. Abatement applications are due the same day as the first installment payment of the actual, not preliminary, tax bill for the fiscal year.</p>
Public Charity Report (Form PC)	<p>The return must include a true and complete copy of the organization's most recent annual report to the Public Charities Division of the Attorney General (Form <u>PC</u>). This requirement does not apply to a religious, veteran or other organization not required to file the report with the Attorney General. For all other organizations, their return is not complete if the report is not included.</p>
A charitable organization is <u>not</u> exempt for any fiscal year for which it does not timely file a complete return.	

<p>Charitable Organizations</p>	<p>A charitable organization claiming exemption for the first time for any property, or a parcel of real property not previously exempt, must apply to the assessors. Once an exemption is established for that property, no further application is required, provided there is no change in ownership, occupancy or other eligibility criteria.</p> <p>If a tax bill is issued for any property in any fiscal year, however, the organization must apply on or before the due date for abatement applications for that year in order for the assessors to grant the exemption. Abatement applications are due the same day as the first installment payment of the actual, not preliminary, tax bill for the fiscal year. Applications may be made using State Tax Form <u>1-B-3</u> (charitable exemption application) or <u>128</u> (abatement application).</p> <p>The organization must also provide whatever supporting information is reasonably required to establish eligibility. This information may include, but is not limited to:</p> <ul style="list-style-type: none"> • Articles of incorporation, charter or declaration of trust. • Organization by-laws. • Identification of officers, directors or trustees. • Description of charitable activities. • Description of the use of the property, including use by all lessees or other occupants. <p>Some assessors may review applications and supporting documentation before tax bills are issued and make a preliminary determination of your organization's eligibility for exemption.</p>
<p>Payment of Tax</p>	<p>Filing an exemption application does not stay the collection of the tax. Your organization may have to pay the tax when due in order to preserve its right to appeal the assessors' disposition of its application. (See APPEALS). Failure to pay the tax may also subject your organization to interest and collection costs. To avoid additional charges, collection action or loss of appeal rights, the tax should be paid when due. If the exemption is granted, a refund will be made.</p>
<p>Action on Application to Assessors</p>	<p>The assessors have three months (unless extended by written consent of your organization) to act on the application. The assessors must send a notice within 10 days of their decision. If the assessors do not act within the three month (or extended) period, your application is deemed denied.</p>

TABLE 1. Exempt Charitable, Fraternal, Religious and Veteran Organizations - Jurisdictional Filing Requirements

ORGANIZATION AND PROPERTY	EXEMPTION APPLICATION	PROPERTY RETURN (FORM 3ABC)	PUBLIC CHARITIES REPORT¹ (FORM PC WITH FEDERAL FORM 990)²
Charitable – Personal property G.L. c. 59, § 5(3)	1 st fiscal year exemption claimed by organization	Annual	Annual
Charitable – Real property G.L. c. 59, § 5(3)	1 st fiscal year exemption claimed for particular parcel	Annual	Annual
Fraternal – Personal property G.L. c. 59, § 5(7)	Not required ³	Not required	Not required
Fraternal – Real property G.L. c. 59, § 5(3)	1 st fiscal year exemption claimed for particular parcel	Annual	Not required
Religious – Personal property G.L. c. 59, § 5(10)	Not required ⁴	Not required	Not required
Religious – House of worship or parsonage G.L. c. 59, § 5(11)	Not required ⁵	Not required	Not required
Religious – Other real property G.L. c. 59, § 5(3)	1 st fiscal year exemption claimed for particular parcel	Annual	Not required
Veterans – Real or personal property G.L. c. 59, § 5(5, 5A, 5B, 5C)	Not required ⁶	Annual	Not required

¹ Complete report must be attached to return for annual filing requirement to be met.

² Effective for fiscal years ending on or after December 31, 2010 (first reporting on 5/15/2011), Attorney General no longer requires small organizations (gross support and revenue of \$5,000 or less) to include Form 990 with Form PC.

³ Organization must file timely abatement application if a tax bill is issued for the property.

⁴ Organization must file timely abatement application if a tax bill is issued for the property.

⁵ Organization must file timely abatement application if a tax bill is issued for the property.

⁶ Organization must file timely abatement application if a tax bill is issued for the property.

TABLE 2. Exempt Charitable, Fraternal, Religious and Veteran Organizations – Exemption Application Filing Requirements

INITIAL APPLICATION MUST BE FILED FOR PROPERTY OWNED BY/ HELD IN TRUST FOR ORGANIZATION ON JULY 1

APPLICATION (Form 1-B-3 or 128) DUE SAME DAY ABATEMENT APPLICATIONS DUE FOR FISCAL YEAR

Assessors may review exemption application received before actual tax bills are issued.

If tax bill issued, entity must reapply by abatement application due date (or appeal directly to Appellate Tax Board under G.L. c. 59, § 5B)

ORGANIZATION AND PROPERTY	FILING YEAR	SUPPORTING INFORMATION
<ul style="list-style-type: none"> • Charitable – Real/personal property • Fraternal – Real property • Religious – Real property (except house of worship/parsonage) 	<ul style="list-style-type: none"> • 1st fiscal year exemption claimed by organization • 1st fiscal year exemption claimed for real estate parcels not included in initial or additional application 	<ul style="list-style-type: none"> • CHARITABLE STATUS <ul style="list-style-type: none"> • Articles of incorporation or charter • Organization's by-laws • If charitable trust, the recorded trust and schedule of beneficiaries • List of names and residential addresses of current officers and directors or trustees of the organization • Certificate of exemption from Massachusetts sales tax • Federal exemption 501(c)(3) letter • Most recent annual financial report • Brochures or literature describing charitable activities • REAL PROPERTY USE <ul style="list-style-type: none"> • Copy of recorded deed if not yet received from Registry of Deeds • Description of organization's use of space • If vacant, reason for purchase and plans for use • List of all tenants, amount of space each rents and how space is used • For each charitable tenant, all of the information listed above under Charitable Status

TABLE 3. Exempt Charitable Organizations – Initial Determination of Exempt Status

<u>DETERMINATION</u>	<u>DOCUMENTATION</u>
<p>1. Did the organization file a property return by March 1 (unless extension approved) for all personally and/or parcels of real estate it owned on January 1?</p>	<ul style="list-style-type: none"> Form 3ABC Form PG, including federal 990 (Complete report must be attached to return for annual filing requirement to be met. Effective for fiscal years ending on or after December 31, 2010 (first reporting on 5/15/2011). Attorney General no longer requires small organizations (gross support and revenue of \$5,000 or less) to include Form 990 with Form PG.)
<p>2. Did the organization file an initial exemption application by the abatement filing deadline for the fiscal year for which it first claims a tax exemption on personally, or particular real estate parcel?</p>	<ul style="list-style-type: none"> Form 1-B-3 (Clause 3 exemption application) or Form 128 (abatement application)
<p>3. Is the organization a charity as of July 1?</p> <ul style="list-style-type: none"> Charitable purpose Operates to benefit public No private inurement 	<ul style="list-style-type: none"> Articles of incorporation or charter Organization's by-laws If charitable trust, the recorded trust and schedule of beneficiaries List of names and residential addresses of current officers and directors or trustees of the organization Certificate of exemption from Massachusetts sales tax Federal exemption 501(c)(3) letter Most recent annual financial report Brochures or literature describing charitable activities
<p>4. Did the organization own each parcel of real estate on July 1?</p>	<ul style="list-style-type: none"> Copy of recorded deed if not yet received from Registry of Deeds
<p>5. Is each parcel of real estate occupied by the organization for its charitable purposes or another charity for its charitable purposes on July 1?</p>	<ul style="list-style-type: none"> Description of organization's use of space If vacant, reason for purchase and plans for use List of tenants, amount of space each rents and how space is used If any tenant claims charitable status, all of the information listed above in item 3

TABLE 4. Exempt Charitable, Fraternal, Religious and Veteran Organizations – Annual Property Return Filing Requirements

ANNUAL RETURN MUST BE FILED FOR PROPERTY OWNED BY/ HELD IN TRUST FOR ORGANIZATION ON JANUARY 1

RETURN DUE MARCH 1 UNLESS ASSESSORS GRANT WRITTEN EXTENSION
(Latest Extended Due Date is Date Abatement Applications for Fiscal Year)

ORGANIZATION AND PROPERTY	PROPERTY RETURN (FORM 3ABC)	PUBLIC CHARITIES REPORT¹ (FORM PC WITH FEDERAL FORM 990)²
Charitable – Real and personal property G.L. c. 59, § 5(3)	Annual	Annual
Fraternal – Real property G.L. c. 59, § 5(3)	Annual	Not required
Religious – Real property (except house of worship/personage) G.L. c. 59, § 5(3)	Annual	Not required
Veterans – Real and personal property G.L. c. 59, § 5(5, 5A, 5B, 5C)	Annual	Not required

¹ Complete report must be attached to return for annual filing requirement to be met.

² Effective for fiscal years ending on or after December 31, 2010 (first reporting on 5/15/2011), Attorney General no longer requires small organizations (gross support and revenue of \$5,000 or less) to include Form 990 with Form PC.