



DIOCESE OF SACRAMENTO

2110 Broadway • Sacramento, California 95818 • 916/733-0100 • Fax 916/733-0195

MEMO

Date: January 7, 2021
To: Pastors, Parochial Administrators, Parish Business Managers, and Bookkeepers
From: Thomas J. McNamara, Chief Financial Officer
RE: 2021/2022 WELFARE EXEMPTION CLAIMS

The annual process for the filing of Welfare Exemption Claims has begun. You will recall that the filing of a Claim for Welfare Exemption is an annual requirement in order to maintain your parish's exemption from real property taxes. Only a very few parishes do not gain their exemption via the "Welfare" exemption, so almost all parishes participate in this annual effort.

In a few days you will receive from the Finance Office a completed draft claim form (BOE-267-A) for your parish. We will complete the form based upon the answers provided last year. You will be asked to review it carefully and let us know if the answers are accurate or what changes need to be made.

We are pleased to assist parishes by receiving the claims forms; completing them in draft; and then filing them after parish approval is received.

One important aspect of the claim exemption process that is potentially more time consuming and cannot be completed by Finance Office staff is the Form BOE-267-O (Welfare Exemption Supplemental Affidavit). This Form BOE-267-O must be completed by parishes whose facilities were used by others during the 2020 year. In addition to completing the form with information as to the other users of parish facilities and the frequency of use, required information may include: copies of leases or use agreements, the user's organizational documents, and possibly their financial statements.

A generic sample Form BOE-267-O is attached *as an example only*. The form for your county should be accessible at your local county assessor's website. An alternative is to download BOE-267-O from the following resource: https://www.capropeforms.org/forms/category/institutional_and_welfare_exemptions. If you had other users of your parish property during 2020, please access Form BOE-267-O; complete the form; attach the required supporting documentation; and return it to the Finance Office no later than **January 25, 2021**. It is important to note that entities that are affiliated with the Catholic Church and are listed in the Official Catholic Directory are not considered other users of parish property; e.g. Knights of Columbus, St. Vincent DePaul Society; Divine Mercy Network; Catholic Charities organizations; Parish sponsored Boy Scouts/Girl Scouts; Young Ladies Institute; Catholic schools; Religious Orders; etc. Also, you do not have to report private party users of parish facilities if the event/use was directly associated with a religious service; e.g. Wedding Receptions, Funeral Receptions, Quinceaneras, etc. as these are a normal part of parish life.

If you have questions or need a copy of the BOE-267-O that you completed for 2019, then please contact your Parish Financial Services Coordinator (Antonette Agustin. aagustin@scd.org, 916-733-0275. or Ron Hamilton. rhamilton@scd.org, 916-733-0283).

**WELFARE EXEMPTION SUPPLEMENTAL AFFIDAVIT,
ORGANIZATIONS AND PERSONS USING CLAIMANT'S REAL PROPERTY**

This claim is filed for fiscal year 20 ____ — 20 ____

This is a Supplemental Affidavit filed with:

- BOE-267, *Claim For Welfare Exemption (First Filing)*
- BOE-267-A, 20____ *Claim For Welfare Exemption (Annual Filing)*

Section 1. Identification of Claimant/Owner and Property

LEGAL NAME OF ORGANIZATION		CORPORATE OR LLC ID NO. (if any)
ADDRESS OF PROPERTY (number and street)	CITY	ASSESSOR'S PARCEL/ASSESSMENT NUMBER

Section 2. Organizations and Persons Using Owner's Real Property. (Attach additional copies of this form, if necessary.)

Total Number of Users: _____ (complete Part A for each user and complete Part B, if applicable)

Part A - enter user # _____

a. NAME OF ORGANIZATIONS OR PERSON (including DBA name, if applicable) _____

b. PHONE NUMBER OR EMAIL ADDRESS _____

c. NEW USER THIS YEAR? Yes No
If yes, date use began: _____

d. DESCRIPTION OF PROPERTY USED BY ORGANIZATION/PERSON LISTED IN (a) ABOVE (type of property and portions of property used, including square footage): _____

e. CURRENT LEASE OR AGREEMENT ATTACHED? Yes No
Submission not required if submitted with previous filing or if not requesting exemption on that portion used. Check here if submitted with a previous filing:
Check here if no written agreement:

f. IS EXEMPTION REQUESTED ON THE PORTION OF PROPERTY USED BY THIS USER?
 Yes (complete Part B for this user) No (no further information required for this user)

Part B (complete only if Part A, item f is answered yes for user)

a. DESCRIPTION OF THE USER'S USE OF THE PROPERTY: _____

b. FREQUENCY OF USE (daily, once per week, etc): _____

c. RENT OR FEES RECEIVED FROM USER (amount and frequency): _____

d. DOES THE USER HAVE AN ORGANIZATIONAL CLEARANCE CERTIFICATE (OCC)?
 Yes, OCC NO. _____ No (additional documents may be required, see instructions)

e. PURPOSE(S) ORGANIZED FOR:
 Charitable Religious Hospital Scientific Other _____

f. TAX EXEMPT STATUS (check applicable box and submit copy of tax exempt status letter, if not submitted with a previous filing)
INTERNAL REVENUE CODE: Section 501(c)(3) Section 501(c)(4) REVENUE AND TAXATION CODE: Section 23701d Section 23701f Section 23701w
 NOT TAX EXEMPT GOVERNMENT AGENCY

Part A - enter user # _____

a. NAME OF ORGANIZATIONS OR PERSON (including DBA name, if applicable) _____

b. PHONE NUMBER OR EMAIL ADDRESS _____

c. NEW USER THIS YEAR? Yes No
If yes, date use began: _____

d. DESCRIPTION OF PROPERTY USED BY ORGANIZATION/PERSON LISTED IN (a) ABOVE (type of property and portions of property used, including square footage): _____

e. CURRENT LEASE OR AGREEMENT ATTACHED? Yes No
Submission not required if submitted with previous filing or if not requesting exemption on that portion used. Check here if submitted with a previous filing:
Check here if no written agreement:

f. IS EXEMPTION REQUESTED ON THE PORTION OF PROPERTY USED BY THIS USER?
 Yes (complete Part B for this user) No (no further information required for this user)

Part B (complete only if Part A, item f is answered yes for user)

a. DESCRIPTION OF THE USER'S USE OF THE PROPERTY: _____

b. FREQUENCY OF USE (daily, once per week, etc): _____

c. RENT OR FEES RECEIVED FROM USER (amount and frequency): _____

d. DOES THE USER HAVE AN ORGANIZATION CLEARANCE CERTIFICATE (OCC)?
 Yes, OCC NO. _____ No (additional documents may be required, see instructions)

e. PURPOSE(S) ORGANIZED FOR:
 Charitable Religious Hospital Scientific Other _____

f. TAX EXEMPT STATUS (check applicable box and submit copy of tax exempt status letter, if not submitted with a previous filing)
INTERNAL REVENUE CODE: Section 501(c)(3) Section 501(c)(4) REVENUE AND TAXATION CODE: Section 23701d Section 23701f Section 23701w
 NOT TAX EXEMPT GOVERNMENT AGENCY

CERTIFICATION

I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing and all information herein, including any accompanying statements or documents, is true, correct and complete to the best of my knowledge and belief.

NAME OF CLAIMANT	TITLE
SIGNATURE OF CLAIMANT	DATE

**INSTRUCTIONS FOR FILING
WELFARE EXEMPTION SUPPLEMENTAL AFFIDAVIT,
ORGANIZATIONS AND PERSONS USING CLAIMANT'S REAL PROPERTY**

FILING OF AFFIDAVIT

This affidavit must be filed by the owner of real property when another organization or person uses that real property. A separate affidavit must be filed for each location. This affidavit supplements the claim for welfare exemption, which must be filed with the county assessor by February 15 to avoid a late filing penalty under Revenue and Taxation Code section 270. The information provided on this affidavit is used by the assessor to determine how the property is being used and by whom. If this form is not completed and the property is used by another party, the claimant/owner will be denied the exemption.

The welfare exemption requires that property be used exclusively for religious, charitable, hospital, or scientific purposes by qualifying organizations; however, it does not require that the owner be the only user of the property. Therefore, an owner may allow other organizations to use its property and still qualify for exemption, if the welfare exemption requirements are met. In order for property owned by one organization and used by another to be eligible for the welfare exemption, the owner and user of the property must be organized for exempt purposes and the property must be used for exempt purposes.

Organizations using the real property more than once a week must be exempt from federal income tax under the provisions of section 501(c)(3) of the Internal Revenue Code or exempt from state franchise or income tax under the provisions of section 23701d of the Revenue and Taxation Code. Organizations using the property once a week or less may also be exempt under 501(c)(4) of the Internal Revenue Code or 23701f or 23701w of the Revenue and Taxation Code.

In accordance with Revenue and Taxation Code section 254.5(b)(2), the assessor may institute an audit or verification of the property's use to determine whether both the owner and user of the property meet the requirements of Revenue and Taxation Code section 214.

SECTION 1. Identification of Claimant/Owner and Property.

Identify the name of the organization that owns the real property (the claimant), and the address and Assessor's Parcel/Assessment Number of the property on which the exemption is being sought. Provide the organization's corporate identification number, if it is a nonprofit corporation, or number assigned by the Secretary of State, if it is a limited liability company.

SECTION 2. Organizations and Persons Using Owner's Real Property.

State the total number of organizations and/or persons, other than the claimant, that use the claimant's real property. Report information on users during the calendar year immediately preceding the fiscal year of claim.

Part A – Must be completed for all users of the claimant's real property.

- a. Provide the name of the organization or person using the property, including the DBA name, if applicable.
- b. Provide a contact phone number or email address for the user.
- c. Check the appropriate box to indicate if the user is new this year. If yes, state the date the property was first used by the user.
- d. Provide a description of the property used by the user, including room number(s), suite number(s), and square footage used.
- e. Check the appropriate box to indicate if the current lease or agreement is attached. Attach a copy of the current lease or agreement, if not submitted with a previous filing. If you are not seeking exemption on this portion of the property, as reported in item (f), lease submission is not necessary. However the Assessor may request information to verify the square footage used.
- f. Check the appropriate box to indicate if requesting exemption on the portion of the property used by the user. If yes, complete Part B for the user. If no, no further information is required for the user.

Part B – Complete if seeking exemption on the portion of the property used by the user.

- a. Describe how the user uses the property, including all primary and incidental uses.
- b. Indicate how often the user uses the property, for example, "daily," "twice per week," etc.
- c. State the rent or fees received from the user, including the amount and frequency.
- d. Check the appropriate box to indicate if the user holds an OCC. If yes, provide the OCC number. Note: A user of the property is not required to hold an OCC. If the user does not hold an OCC, the assessor may request additional information.
- e. Check the appropriate box(es) to indicate the purpose for which the organization is organized. If "Other" is checked, specify the purpose.
- f. Check the appropriate box(es) to indicate the tax exempt status of the user. If you are filing this affidavit with the *Claim for Welfare Exemption (First Filing)* (BOE-267), submit a copy of the user's tax exempt status letter. If you are filing this affidavit with your annual filing (BOE-267-A), and the property is used by any organization(s) you have not previously reported to the assessor, submit a copy of the tax exempt status letter for each new user.