

EXEMPTION FAQs

Q: If an organization (i.e. church) were to change their name but the underlying purpose of the organization remains the same, will they have to re-apply for exemption?

A: No, they do not need to re-apply. They do need to submit documentation of the change of name and a letter stating the underlying purpose remains the same.

Q: If an organization sells a portion of their property that has an existing exemption will they have to re-apply on the property they retain?

A: No, if an organization sells a portion of their property with an existing exemption they will not need to re-apply on the portion they retained and the sale will not affect the existing exemption.

Q: If a property transfers into the name of a governmental entity after January 1, will the property be exempt for the rest of the year?

A: Yes, if a property transfers into the name of a governmental entity the property is exempt as of the date of acquisition and the taxes would be pro-rated.

Q: Can a medical practice that is managed by a management company but owned by an exempt non-profit hospital also be exempt? If so, would the medical practice have to apply for exemption?

A: Yes, they will need to file for an exemption. In order for them to receive the exemption, the hospital has to be operating the clinic and the doctors must be employees of the hospital.

Q: If a leasing company is reporting personal property leased to governmental entities, would the personal property be exempt since governmental entities are automatically exempt?

A: No, if the property is leased by a governmental entity, the property will not be exempt. Governmental entities are required by statute to own the property in order for it to receive an exemption.

Q: If a hospital builds adds an addition, do they need to apply for an exemption on that addition?

A: Yes, the hospital would need to submit an application for exemption for the new addition.

Q: Can a charity that is leasing property qualify for an exemption?

A: No, in order for the property to qualify for an exemption as a charity, assuming that they meet all of the other requirements, the statute for charities requires that the property be owned by the charity.

Q: If an organization that is exempt from property taxes acquires property adjacent to property already owned and exempted will the newly acquired property be automatically exempt?

A: No, the organization will need to file an application for the property that was recently acquired.

Q: If a property is foreclosed on by the Secretary of Housing and Urban Development (HUD) or the Secretary of Veteran's Affairs (VA) will the property be automatically exempt since HUD & the VA are governmental entities?

A: No, the property would remain on the tax roll. Houses that are repossessed by HUD or the VA do not receive an automatic exemption, so they are treated the same as houses in private ownership.