EY. Wel. Act

( ) 445-8485

March 3, 1978

[illegible]

Attention:
Executive Vice President

Dear Mr [illegible]

This is in response to your February 15, 1978, letter wherein you state, in part:

> "Our objective is to affect changes in the elementary and secondary school curriculum. To achieve this we work with all the components of those structures: we work with teachers, students, administrators, state education officials, schools of education, etc. We run workshops ourselves or jointly with colleges and universities or with professional education organizations...."

As indicated in our January 17, 1978, letter, where an organization works with teachers and the teachers then use the knowledge they have acquired in working with their students who are in grades K through 12, we view the organization's activities as activities directed at and engaged in by teachers. So being, the activities are at the collegiate grade level rather than at a less than collegiate grade level, and the organization's property cannot be eligible for the welfare exemption.

If, however, as your letter indicates, the Group is working directly with students in grades K through 12 in addition to working with teachers and other adults, the Group's property could be eligible for the welfare exemption, assuming that the Group could meet all the requirements for exemption. Section 214.5 of the Revenue and Taxation Code provides that property used exclusively for purposes of both schools of and less than collegiate grade, and owned and operated by religious or charitable corporations, which property and corporations meet all the requirements of section 214, are deemed to be within the welfare exemption.

Accordingly, if the Group was operating in the above-described manner on March 1, 1978, you should contact the appropriate assessor or assessors immediately, obtain exemption claim forms for the 1978-79 fiscal years, and complete and file the forms with the assessors involved on or before March 15, 1978, the last day for an organization to be eligible for a 100 percent exemption for this fiscal year. Late claims are eligible for 85 or 90 percent exemption, depending on the circumstances (Sec. 270, Rev. & Tax. Code).

Included with any claims the Group may file should be a detailed description of the Group's activities. After all this time, it is still not clear to me how the Group works, and particularly, how, if it does in fact do so, the Group works directly with students. Upon receipt of any claims, the assessors, and later, the Board, will review the claims, and they will notify you of their findings.

Very truly yours,

J. Kenneth McManigal
Tax Counsel

JKM:fp

bc: Mr. Jack F. Eisenlauer (W. Grommet)
Legal Section