



STATE BOARD OF EQUALIZATION
PROPERTY AND SPECIAL TAXES DEPARTMENT
450 N STREET, SACRAMENTO, CALIFORNIA
PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0064
916 445-4982 • FAX 916 323-8765
www.boe.ca.gov

BETTY T. YEE
First District, San Francisco

BILL LEONARD
Second District, Ontario/Sacramento

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Third District, Rolling Hills Estates

JUDY CHU
Fourth District, Los Angeles

JOHN CHIANG
State Controller

RAMON J. HIRSIG
Executive Director

July 27, 2007

Assist International, Inc.
P.O. Box 66396
Scotts Valley, CA 95067

East Meets West Foundation
P.O. Box 29292
Oakland, CA 94604

Green Cross International, Inc.
12340 East Avenue X
Pearblossom, CA 93553-3117

International Community Foundation
11300 Sorrento Valley Road, Suite 115
San Diego, CA 92121

Lifewater International
P.O. Box 3131
San Luis Obispo, CA 93403

Relief International
1575 Westwood Boulevard, Suite 200
Los Angeles, CA 90024

Rotaplast International
1663 Mission Street, Suite 320
San Francisco, CA 94103

Ladies and Gentlemen:

Your organization filed a Claim for Welfare Exemption with the California State Board of Equalization (Board). This claim was to obtain exemption from paying property taxes in California for your nonprofit corporation. Your claim has either been denied or is currently pending a decision by Board staff.

One of the considerations for qualifying for the Welfare Exemption in California is the *community benefit test*. It has been Board staff's longstanding policy that a nonprofit corporation would not qualify for the exemption if substantially all of its activities benefit persons outside of California.

Recently, the elected Members of the Board directed staff to review the policy regarding the *community benefit test* for the Welfare Exemption. At a July 17, 2007 meeting, the Members heard discussions regarding the feasibility of expanding the *community benefit test* to include nonprofit organizations who own property in California but whose charitable activities solely benefit persons outside of California. A discussion paper for the July 17 meeting can be viewed on the Board's website at www.boe.ca.gov/meetings/pdf/ItemL071707.pdf.

Staff will hold an interested parties meeting on September 19, 2007 to hear discussions regarding the pros and cons of expanding the *community benefit test* for the Welfare Exemption. We invite your participation. The meeting will be held at the Board's headquarters in Sacramento, 450 N Street, Room 122. The meeting will begin at 9:30 a.m. and should be concluded by noon.

Please contact Ms. Sherrie Kinkle at sherrie.kinkle@boe.ca.gov or at 916-322-2921 if you plan to attend the interested parties meeting. We look forward to your participation in this process.

Sincerely,

/s/Dean R. Kinnee

Dean R. Kinnee, Chief
County-Assessed Properties Division

DRK:sk

cc: Honorable Betty T. Yee, Chair
Honorable Judy Chu, Ph.D., Vice Chair
Honorable Bill Leonard, Member
Honorable Michelle Steel, Member
Honorable John Chiang, State Controller
Ms. Marcy Jo Mandel, Deputy State Controller
Honorable Michael V. Strong, President, CAA
Mr. Ramon J. Hirsig
Ms. Kristine Cazadd
Mr. David J. Gau

bc: Mr. Robert Lambert
Mr. Richard Moon
Ms. Lisa Thompson
Mr. James Anderson
Ms. Sherrie Kinkle
Ms. Ladeena Ford