



STATE BOARD OF EQUALIZATION
 PROPERTY TAX DEPARTMENT
 450 N STREET, SACRAMENTO, CALIFORNIA
 PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0064
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BETTY T. YEE
 State Controller

DAVID J. GAU
 Executive Director

No. 2016/028

July 28, 2016

TO COUNTY ASSESSORS AND INTERESTED PARTIES:

CHANGE TO WELFARE EXEMPTION CLAIM FILING REQUIREMENTS

Revenue and Taxation Code¹ section 214 provides for the welfare exemption from property taxation. Section 214(a) provides, in part, that:

Property used exclusively for religious, hospital, scientific, or charitable purposes owned and operated by community chests, funds, foundations, limited liability companies, or corporations organized and operated for religious, hospital, scientific, or charitable purposes is exempt from taxation...

For real property that is operated/used by an entity other than the owner, both the owner and operator must meet certain requirements. In order to determine eligibility, the State Board of Equalization's (BOE) longstanding guidance has been that both the owner and operator must file a claim for the welfare exemption with the assessor and each must hold a valid Organizational Clearance Certificate (OCC).

Recently, however, the Second District Court of Appeal, in *Jewish Community Centers Development Corporation v. County of Los Angeles* (2016),² held that an operator of a property does not need to file an exemption claim with the assessor or hold an OCC issued by the BOE.³ The Court reasoned that the statutes requiring claim filings (namely, sections 254.5 and 259.5) refer to a single *claimant* that must file a welfare exemption claim, and not multiple *claimants*. Therefore, based on the plain language of the statutes, an assessor may not require multiple welfare exemption claims (i.e., one by the owner and one by the operator) to be filed.

To comply with this court decision, the BOE proposes the following:

- Revise BOE-267, *Claim For Welfare Exemption (First Filing)*, and BOE-267-A, *20__ Claim For Welfare Exemption (Annual Filing)*, to remove instructions requiring that both the owner and operator must file a separate exemption claim form and each must hold a valid OCC issued by the BOE. In addition, formatting changes are proposed to simplify reporting of property types.

¹ All statutory references are to the Revenue and Taxation Code, unless otherwise provided.

² *Jewish Community Centers Development Corporation v. County of Los Angeles* (2016) 243 Cal.App.4th 700. The decision can be viewed at: <http://www.courts.ca.gov/opinions/archive/B261022.PDF>.

³ Please note that an operator wishing to obtain exemption on personal property or on a possessory interest in publicly owned real property (taxable possessory interest) is still required to obtain an OCC from the BOE and file a welfare exemption claim with the assessor.

- Create a supplemental affidavit, BOE-267-O, *Welfare Exemption Supplemental Affidavit, Organizations Operating On Claimant's Real Property*, for the property owner to demonstrate that the property is used exclusively for welfare exempt purposes by an operator that is organized and operated for an exempt purpose.

The enclosed drafts of the proposed revised forms identify the areas where changes were made through highlighted text. Interested parties are encouraged to submit suggested revisions or comments. Please identify the form number and the question, or section in the instructions, for each suggested revision or comment.⁴ Proposed changes will be accepted until August 26, 2016 and should be submitted to Ms. Patricia Lumsden at patricia.lumsden@boe.ca.gov or sent to the address as shown on the first page of this letter.

After reviewing comments received, it is anticipated that staff will meet with interested parties on September 15, 2016, to discuss comments received. All documents regarding this project will be posted to the BOE's website at <https://www.boe.ca.gov/proptaxes/welfareexemption.htm>. If you have any questions or comments regarding this project, you may contact Patricia Lumsden at 1-916-274-3383.

Sincerely,

/s/ Dean R. Kinnee

Dean R. Kinnee
Deputy Director
Property Tax Department

DRK:pll
Enclosures

⁴ The current versions of the proposed revised forms may be accessed on the BOE's website at: <http://www.boe.ca.gov/proptaxes/welfareorgexemp.htm>.

CLAIM FOR WELFARE EXEMPTION (FIRST FILING)

(For new locations and/or in-lieu of preprinted claim form BOE-267-A)

This claim is filed for fiscal year 20__ - 20__.

(Example: a claimant filing a timely claim in January 2017 would enter "2017-2018.")

NAME OF ORGANIZATION

MAILING ADDRESS (number and street)

CITY, STATE, ZIP CODE

WEBSITE ADDRESS (if any)

CORPORATE OR LLC ID NO. (if any)

CHECK ANY OF THE FOLLOWING ITEMS THAT HAVE BEEN CHANGED WITHIN THE LAST YEAR:

- MAILING ADDRESS ORGANIZATION NAME ORGANIZATION'S FORMATIVE DOCUMENT (an amendment to articles of incorporation, constitution, trust instrument, or articles of organization, etc.)

ORGANIZATIONAL CLEARANCE CERTIFICATE (OCC) NO.: Provide a copy of the certificate issued by the State Board of Equalization (Board) and a copy of the Finding Sheet issued by the Board.

If you do not have an OCC, have you filed a claim for an OCC with the Board? Yes No If No, see the Instructions page for information regarding obtaining an OCC.

PRIOR YEAR FILINGS

Has the organization filed for the welfare exemption in this county in prior years? Yes No If Yes, state latest year filed:

1. IDENTIFICATION OF PROPERTY

a. ADDRESS OF PROPERTY (number and street)

CITY, STATE, ZIP CODE

ASSESSOR'S PARCEL NUMBER

b. Is this a new location this year? Yes No

c. When was the property put to exempt use (MM/DD/YYYY)?

d. Property owned by the claimant for which claimant seeks exemption:

- Real Property: Personal Property Taxable Possessory Interest Land Building and improvements

2. REAL PROPERTY. If claiming an exemption on real property, provide:

a. Date property acquired (MM/DD/YYYY):

b. Land. Area in acres or square feet:

c. Building and Improvements. Building number or name, number of floors, type of construction:

d. Primary and incidental use of the property:

e. Real property leased, rented, or used by others (since January 1 of the prior year)

Is any portion of the real property identified under Section 1 used or operated part-time or full-time by some other person or organization?

- Yes No If Yes, provide a list including the name of user, frequency of use, and square footage used. If the property is operated or used more than once a week by another organization, submit BOE-267-O; if the property is used by a person or organization once a week or less, attach a description of that portion of the property, its use, the amount received by you (if any), and a copy of the lease or agreement.

3. PERSONAL PROPERTY. If claiming an exemption on personal property, provide:

a. Description (type) of the property:

b. Primary and incidental use of the property:

c. Personal property leased, rented, or used by others (since January 1 of the prior year)

Is any portion of the personal property identified under Section 1 used or operated by another party?

- Yes No If Yes, attach a description of the property, its use, the amount received by you (if any), and a copy of the lease or agreement.

d. Equipment leased or rented from another person or entity (since January 1 of the prior year)

Is any portion of the equipment or other property at the location identified under Section 1 leased, rented, or consigned from another person or entity?

- Yes No If Yes, attach a list of the equipment and other property. Please include the name and address of each lessor or consignor and the quantity and description of the property. Property so listed is not subject to the exemption, and will be assessed by the Assessor if owned by a taxable entity. If owned by a tax exempt organization, the property may be eligible for the welfare exemption.

4. TAXABLE POSSESSORY INTEREST. If claiming an exemption on a taxable possessory interest, provide:

a. Name of the public owner (local, state, or federal agency) of the land, buildings, and/or improvements:

b. Description of the type of property that is leased from the public owner:

c. Primary and incidental use of the property:

5. USE OF PROPERTY

a. Living quarters (since January 1 of the prior year)

Is any portion of the property **identified under Section 1** used for living quarters (other than low-income or elderly or handicapped housing)?
 Yes No If **Yes**, describe that portion. Submit documentation that the housing is incidental to and reasonably necessary for the exempt purposes of the organization. If living quarters are associated with a rehabilitation program, submit BOE-267-R.

b. Operation of a store, thrift shop, or other facility (since January 1 of the prior year)

(1) Is any portion of the property **identified under Section 1** used to operate a store, thrift shop, or other facility **that sells goods to members of the organization or to the general public?**

Yes No If **Yes**, (A) list the hours per week the business is operated and (B) describe the **type** of **goods** sold:

(2) Is the property used as a thrift shop as part of a planned, formal rehabilitation program?

Yes No If **Yes**, submit BOE-267-R.

c. Low-income housing

Is any portion of the property **identified under Section 1** used as low-income housing?

Yes No If **Yes**, submit BOE-267-L if owned by a nonprofit organization or limited liability company; submit BOE-267-L1 if owned by a limited partnership.

d. Elderly or handicapped housing

Is **any portion of the property identified under Section 1** used as a facility for the elderly or handicapped?

Yes No If **Yes**, submit BOE-267-H, unless care or services are provided or the property is financed by the federal government under, **including but not limited to**, sections 202, 231, 236, or 811 of the Federal Public Laws.

6. UNRELATED BUSINESS TAXABLE INCOME

Is the property for which exemption is sought used for activities that produce income that is "unrelated business taxable income," as defined in section 512 of the Internal Revenue Code (IRC), and that is subject to the tax imposed by section 511 of the IRC?

Yes No If **Yes**, attach each of the following:

1. The organization's information and tax returns filed with the Internal Revenue Service for the preceding fiscal year.
2. A statement setting forth the amount of time devoted to the organization's income producing and non-income producing activities, and, where applicable, a description of the portion of the property on which those activities are conducted.
3. A statement listing the specific activities which produce the unrelated business taxable income.
4. A statement setting forth the amount of income of the organization that is attributable to activities in the state and is exempt from income or franchise taxation, and the amount of total income of the organization that is attributable to activities in the state.

7. EXPANSION

Do you contemplate any capital investment in the property within the next year? Yes No If **Yes**, explain:

8. FINANCIAL STATEMENTS

Attach a copy of your operating statement (income and expenses) and balance sheet (assets and liabilities), which relate exclusively to **the property identified under Section 1**, for the calendar or fiscal year preceding the claim year.

9. OTHER – EXEMPT ACTIVITY AND USE

Please check the following, if applicable:

- The property is used for the actual operation of the exempt activity.
- The property is not used or operated by the owner or by any other person **or organization** so as to benefit any officer, trustee, director, shareholder, member, employee, contributor, or bondholder of the owner or operator, or any other person, through the distribution of profits, payment of excessive charges or compensations, or the more advantageous pursuit of the business or profession.
- The property is not used by the owners, **operators**, or members for fraternal or lodge purposes, or for social club purposes except where such use is clearly incidental to a primary religious, hospital, scientific, or charitable purpose.

Whom should we contact during normal business hours for additional information?

NAME	TITLE
DAYTIME TELEPHONE ()	EMAIL ADDRESS

CERTIFICATION

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

SIGNATURE OF CLAIMANT	TITLE
NAME OF PERSON MAKING CLAIM	DATE

INSTRUCTIONS FOR CLAIM FOR WELFARE EXEMPTION (FIRST FILING)**EXEMPTION FROM PROPERTY TAXES UNDER SECTIONS 4(b) AND 5 OF ARTICLE XIII OF THE CONSTITUTION OF THE STATE OF CALIFORNIA AND SECTIONS 214, 254.5 AND 259.5 OF THE REVENUE AND TAXATION CODE**

(See also sections 213.7, 214.01-214.1, 215.2, 221-222.5, 225.5, 231, 236, 254-254.6, 259.5, 261, and 270-272 of the Revenue and Taxation Code)

FILING OF CLAIM

A claim for the Welfare Exemption must be filed with the Assessor by the organization owning the property or, in the case where the real property is leased from a public owner (any local, state, or federal government agency), by the lessee organization having a taxable possessory interest¹ in the real property. An officer or duly authorized representative of the organization filing the claim must sign the claim form. A separate claim form must be completed and filed for each property location for which exemption is being sought.

The organization filing the claim must provide information on all uses of the property, including information on use by other organizations. Each claim must contain supporting documents, including financial statements.

ORGANIZATIONAL CLEARANCE CERTIFICATE

An organization seeking the Welfare Exemption shall file with the State Board of Equalization (Board) a claim for an Organizational Clearance Certificate (OCC). The Board reviews each claim to determine whether the organization meets the requirements of section 214 and issues a certificate to claimants that meet these requirements. The Assessor may not approve a property tax exemption claim until the claimant has been issued a valid OCC. However, your organization may file a claim for exemption with the Assessor, even if the claimant has not yet received the certificate from the Board. If the claim is filed timely with the Assessor, the claim will be considered timely filed even if the claimant has not yet received the OCC from the Board.

To request an OCC, nonprofit organizations must file BOE-277 and limited liability companies must file BOE-277-LLC. These forms are available on the Board's website (www.boe.ca.gov) or by contacting the Exemptions Section at 1-916-274-3430.

RECORDATION REQUIREMENT

Revenue and Taxation Code section 261 requires that an organization claiming the Welfare Exemption for its real property must have recorded its ownership interest as of the lien date (12:01 a.m., January 1) in the recorder's office of the county in which the property is located.

A claimant which, on the lien date has a **possessory interest in publicly owned land, owns water rights, or owns improvements on land owned by another** may in lieu of recordation file a copy of the document giving rise to that possessory interest or water rights or file a written statement attesting to the separate ownership of those improvements with the Assessor. Failure to establish the fact of such recordation to the Assessor constitutes a **waiver** of the exemption.

TIME FOR FILING

To receive the full exemption, the claimant must **file a claim each year on or before February 15**. Only 90 percent of any tax or penalty or interest thereon may be canceled or refunded when a claim is filed between February 16 of the current year and January 1 of the following calendar year; if the application is filed thereafter, only 85 percent of any tax or penalty or interest thereon may be canceled or refunded. In no case, however, is the tax, penalty, and interest for a given year to exceed \$250.

BOARD-PREScribed FORMS REFERENCED ON THE CLAIM FORM AND IN THE INSTRUCTIONS

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

BOE-267-H, *Welfare Exemption Supplemental Affidavit, Housing – Elderly Or Handicapped Families*

BOE-267-L, *Welfare Exemption Supplemental Affidavit, Housing – Lower Income Households*

BOE-267-L1, *Welfare Exemption Supplemental Affidavit, Low-Income Housing Property Of Limited Partnership*

BOE-267-O, *Welfare Exemption Supplemental Affidavit, Organizations Operating On Claimant's Real Property*

BOE-267-R, *Welfare Exemption Supplemental Affidavit, Rehabilitation – Living Quarters*

BOE-277, *Claim For Organizational Clearance Certificate – Welfare Exemption*

BOE-277-LLC, *Claim For Organizational Clearance Certificate – Welfare Exemption – Limited Liability Company*

ADDITIONAL INFORMATION

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

¹ A taxable possessory interest is defined as the taxable interest held by a private possessor in publically owned real property. (See Assessors' Handbook, Section 510, *Assessment of Taxable Possessory Interests* (Dec. 2002), page 1.)

COMPLETION OF CLAIM FORM

All questions must be answered. Failure to answer all questions may result in denial of your claim. Leave no blanks; use "no," "none," or "not applicable" where needed. The following information is provided to assist you in answering specific questions on your claim.

The fiscal year for which exemption is being sought must be entered correctly. The proper fiscal year follows the lien date (12:01 a.m., January 1) as of which the taxable or exempt status of the property is determined. For example, a person filing a timely claim in February 2017 would enter "2017-2018"; a "2016-2017" entry on a claim filed in February 2017 would signify that a late claim was being filed for the preceding fiscal year.

Section 1. IDENTIFICATION OF PROPERTY

Identify the situs location (address, city, state, and zip code) and Assessor's Parcel Number of the property owned for which you are seeking exemption; when the property was put to exempt use; and check the appropriate box(es) to indicate type(s) of property.

Section 2. REAL PROPERTY Complete only if "Real Property" was checked under Section 1(d).

- (a) If the exemption is being claimed for real property, enter the date on which the property was acquired.
- (b)(1) Indicate the area and the unit of measurement used (acres or square feet.)
- (b)(2) Describe the primary use which should qualify the property for exemption and the incidental use(s) of the property since January 1 of the prior year.
- (c)(1) List all buildings and improvements on the land, using additional sheets if necessary. Describe as stucco, concrete and steel, brick, wood, etc.
- (c)(2) Describe the primary use and the incidental use(s) of the property since January 1 of the prior year.

Section 3. PERSONAL PROPERTY Complete only if "Personal Property" was checked under section 1(d).

Describe the type of personal property, and the primary use and incidental use(s) of the property since January 1 of the prior year.

Section 4. TAXABLE POSSESSORY INTEREST Complete only if "Taxable Possessory Interest" was checked under section 1(d).

Identify the public owner (local, state, or federal agency) of the publically owned land, buildings and/or improvements and describe the type of property that is leased from the public owner.

Section 5. USE OF PROPERTY

- (a) If the real property owned by the claimant is operated by another organization **more than once a week**, submit BOE-267-O. If an organization uses the property once a week or less, you do not need to complete BOE-267-O, but you must provide a copy of each organization's tax-exempt status letter (sections 501(c)(3) or 501(c)(4) of the Internal Revenue Code or sections 23701d or 23701f of the California Revenue and Taxation Code). If the real property is used by another person, attach copies of leases or agreements.
- (b) If the personal property owned by the claimant is used by others, attach copies of leases or agreements.
- (c) If **Yes**, provide the names and addresses of the lessors and consignors and list the quantity and description of the property.
- (d) If **Yes**, describe the portion of the property used for living quarters. Submit documentation, including tenets, canons, or written policy, that indicates the organization requires housing be provided to employees and/or volunteers. Include a statement **as to** why such housing is incidental to and reasonably necessary for the exempt purpose of the organization and the occupant's role or position in the organization. (This question is not applicable where the exempt activity is providing housing, for example, homes for aged, youth, **or** mentally or physically disabled.)
- (e) If **Yes**, describe in sufficient detail to determine the volume of business and the hours open for business since January 1 of the prior year. If a business operation located on the listed parcel has been deliberately omitted, because you do not desire the exemption on the business, so state.

Section 6. UNRELATED BUSINESS TAXABLE INCOME

If **Yes**, provide the documents and other information requested.

Section 7. EXPANSION

If **Yes**, describe the type of investment contemplated and the reasons that make such expansion necessary.

Section 8. FINANCIAL STATEMENTS

Submit the financial statements reflecting the operation of the subject property. The income and expenses should include only those that result from operation of the property. If compensation of personnel or other administrative expenses are pro-rated to the property, such pro-rata should be indicated. If the nature of an item of income or expense is not clear from the account name, further explanation indicating the nature of the account should be appended. **Your claim will not be processed until the financial statements are received by the Assessor.**

Section 9. OTHER – EXEMPT ACTIVITY AND USE

Check the appropriate boxes to indicate the requested information.

PROPOSED

20 CLAIM FOR WELFARE EXEMPTION (ANNUAL FILING)

To receive the full exemption, a claimant must complete and file this form with the Assessor by February 15.

Organization Name and Mailing Address: (Make necessary corrections in ink to the printed name and address.)

[Empty box for Organization Name and Mailing Address]

Property Location:

This organization owns rents/leases the real property at this location. Property No.: Class:

Last year your organization received the Welfare Exemption for all or part of the property your organization owns at the location listed above. To continue receiving the exemption for the property you own at this location, you must complete, sign and return this claim form to the Assessor. A separate claim form is required for each location.

If you no longer seek an exemption at this location, check here , sign and return this form to the Assessor. Date Vacated: _____

Additionally, if your organization is dissolved and therefore no longer needs an Organizational Clearance Certificate, check here

Check, if changed within the last year: Mailing Address Organization Name

Does your organization have a valid Organizational Clearance Certificate (OCC) issued by the State Board of Equalization? Yes No If yes, enter OCC No. _____ and date issued _____

Have you amended the organization's formative documents (i.e., articles of incorporation, constitution, trust instrument, articles of organization) since last year? Yes No If yes, please mail a copy of the amendment to the State Board of Equalization, County-Assessed Properties Division, P.O. Box 942879, Sacramento, CA 94279-0064. Please include your OCC number. (NOTE TO ASSESSOR STAFF: If the organization is dissolved or the formative documents were amended, please forward a copy of this page to the Board of Equalization.)

Read the information on the reverse side before completing. All questions must be answered. If the answer to any question is "YES," explain in an attachment or complete the referenced form. Contact the Assessor if any forms referenced below are needed to complete this application.

Identify the property that your organization owns at this location:

- Real property (land/buildings/improvements) Personal property Taxable Possessory Interest

YES NO Since January 1, last year:

- 1. Has the use on any portion of the property that received an exemption last year changed?
2. Is any portion of this property being used for exempt purposes that was not being used in that manner last year?
3. Is any portion of this property vacant or unused? If yes, since (date) Area (sq. ft.)
4. Is any portion of this property used as a retail outlet or for other fundraising purposes?
5. Is any portion of the property used for living quarters (other than transitional or emergency shelter, low-income housing or housing for the elderly or handicapped listed under questions 6 or 7)?
6. Is this property used as low-income housing?
7. Is this property used as a housing for the elderly or handicapped?
8. Do other persons or organizations use any of this property?
9. Did this or any portion of this property generate taxable "unrelated business taxable income," as defined in section 512 of the Internal Revenue Code?
10. Have the organization's income and/or expenses increased by more than 25 percent since last year?
11. Is there any equipment or property at this location that is leased or rented to the claimant?

NAME OF PERSON TO CONTACT FOR ADDITIONAL INFORMATION (please print) DAYTIME TELEPHONE ()

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

SIGNATURE OF CLAIMANT TITLE DATE

EMAIL ADDRESS

ASSESSOR'S USE ONLY Approved: ALL PART Denied Reason(s) for Denial:

GENERAL INFORMATION

The Welfare Exemption is available only to property, real or personal, **owned** by a religious, charitable, hospital, or scientific organization and **used exclusively** for religious, charitable, hospital, or scientific purposes. It is also available on a taxable possessory interest in publically owned real property used for exempt purposes by an organization that qualifies for the welfare exemption. A public owner is a local, state or federal agency.

To be eligible for the full exemption, the claimant **must** file a claim each year on or before February 15. Only 90 percent of any tax, penalty, or interest may be canceled or refunded when a claim is filed between February 16 and December 31 of the current year. If the application is filed on or after January 1 of the next year, only 85 percent of any tax, penalty, or interest may be canceled or refunded. In no case, however, is the tax, penalty, and interest for a given year to exceed \$250. A separate claim must be completed and filed for each property for which exemption is sought.

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

ORGANIZATIONAL CLEARANCE CERTIFICATE

The Assessor may not approve a property tax exemption claim until the claimant has been issued a valid *Organizational Clearance Certificate* (OCC) by the State Board of Equalization. If you are seeking exemption on this property, you must provide the organization's OCC No. and date issued. A listing of organizations with valid OCCs is available on the Board's website (www.boe.ca.gov) and can be accessed at www.boe.ca.gov/proptaxes/welfareorgeligible.htm. You may also contact the Board at 1-916-274-3430.

HOUSING

If question 5 is answered **yes**, describe the portion of the property used for living quarters (since January 1 of the prior year). Submit (1) documentation, including tenets, canons, or written policy, that indicates the organization requires housing be provided to employees and/or volunteers, or (2) include statement why such housing is incidental to and reasonably necessary for the exempt purpose of the organization. If the documentation described in items (1) or (2) has been submitted in a previous year for this location, please submit documentation including the occupant's position or role in the organization with a statement indicating that the housing continues to be used for organization's exempt purpose. (This question is not applicable where the exempt activity is **providing housing**.)

USE OF THE PROPERTY BY OTHER ORGANIZATIONS

If question 8 is answered **yes**, provide the requested information for persons and organizations using your property. If another organization uses the property **more than once a week**, submit BOE-267-O. If another organization uses the property **once a week or less**, and it was not previously identified on prior affidavits, submit a copy of the organization's tax-exempt status letter (sections 501(c)(3) or 501(c)(4) of the Internal Revenue Code or sections 23701d or 23701f of the California Revenue and Taxation Code).

UNRELATED BUSINESS TAXABLE INCOME

If question 9 is answered **yes**, you must attach the following to the claim:

- the organization's information and tax returns, including form 990T, filed with the Internal Revenue Service for its immediately preceding year;
- a statement setting forth the amount of time devoted to the organization's income-producing and to its non income-producing activities and, where applicable, a description of that portion of the property on which those activities are conducted;
- a statement listing the specific activities and locations which produce unrelated business taxable income; and
- a statement setting forth the amount of income of the organization that is attributable to activities in this state and is exempt from income or franchise taxation and the amount of total income of the organization that is attributable to activities in this state.

SIGNATURE

An officer or duly authorized representative of the organization **owning** the property must sign the claim.

ASSESSOR'S USE ONLY					
ASSESSED VALUES					
ITEM	TOTAL ASSESSED VALUE OF:				
	LAND	IMPROVEMENTS	PERSONAL PROPERTY	FIXTURES	TOTAL
ITEM	EXEMPTION ALLOWED				
	LAND	IMPROVEMENTS	PERSONAL PROPERTY	FIXTURES	TOTAL

If another exemption, such as the church, religious, etc., was allowed this year on a portion of the property described in the claim, indicate the type and amount of the exemption: _____ \$ _____
(type) (amount)

By _____ (Assessor or designee) _____ (date)

**WELFARE EXEMPTION SUPPLEMENTAL AFFIDAVIT,
ORGANIZATIONS OPERATING ON 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 and Property

NAME OF ORGANIZATION	CORPORATE OR LLC ID NO. (if any)
ADDRESS OF PROPERTY (number and street)	
CITY, STATE, ZIP CODE	ASSESSOR'S PARCEL NUMBER

Section 2. Organizations Operating on the Property (Attach additional pages, if necessary)

a. NAME OF ORGANIZATION

TAX-EXEMPT STATUS: <input type="checkbox"/> Section 501(c)(3) of the Internal Revenue Code <input type="checkbox"/> Section 23701d of the Revenue and Taxation Code	PURPOSE(S) ORGANIZED FOR: <input type="checkbox"/> Charitable <input type="checkbox"/> Religious <input type="checkbox"/> Hospital <input type="checkbox"/> Scientific
DESCRIPTION OF PROPERTY USED BY THE ORGANIZATION LISTED IN 2(a) ABOVE (type of property and square footage used):	
CURRENT LEASE OR AGREEMENT ATTACHED? <input type="checkbox"/> Yes <input type="checkbox"/> No, submitted with a previous filing <input type="checkbox"/> No written agreement	RENT OR FEES RECEIVED FROM OPERATOR (amount and frequency):
DESCRIPTION OF THE OPERATOR'S USE OF THE PROPERTY (description and frequency of use):	

a. NAME OF ORGANIZATION

TAX-EXEMPT STATUS: <input type="checkbox"/> Section 501(c)(3) of the Internal Revenue Code <input type="checkbox"/> Section 23701d of the Revenue and Taxation Code	PURPOSE(S) ORGANIZED FOR: <input type="checkbox"/> Charitable <input type="checkbox"/> Religious <input type="checkbox"/> Hospital <input type="checkbox"/> Scientific
DESCRIPTION OF PROPERTY USED BY THE ORGANIZATION LISTED IN 2(a) ABOVE (type of property and square footage used):	
CURRENT LEASE OR AGREEMENT ATTACHED? <input type="checkbox"/> Yes <input type="checkbox"/> No, submitted with a previous filing <input type="checkbox"/> No written agreement	RENT OR FEES RECEIVED FROM OPERATOR (amount and frequency):
DESCRIPTION OF THE OPERATOR'S USE OF THE PROPERTY (description and frequency of use):	

a. NAME OF ORGANIZATION

TAX-EXEMPT STATUS: <input type="checkbox"/> Section 501(c)(3) of the Internal Revenue Code <input type="checkbox"/> Section 23701d of the Revenue and Taxation Code	PURPOSE(S) ORGANIZED FOR: <input type="checkbox"/> Charitable <input type="checkbox"/> Religious <input type="checkbox"/> Hospital <input type="checkbox"/> Scientific
DESCRIPTION OF PROPERTY USED BY THE ORGANIZATION LISTED IN 2(a) ABOVE (type of property and square footage used):	
CURRENT LEASE OR AGREEMENT ATTACHED? <input type="checkbox"/> Yes <input type="checkbox"/> No, submitted with a previous filing <input type="checkbox"/> No written agreement	RENT OR FEES RECEIVED FROM OPERATOR (amount and frequency):
DESCRIPTION OF THE OPERATOR'S USE OF THE PROPERTY (description and frequency of use):	

CERTIFICATION

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

SIGNATURE OF CLAIMANT	TITLE	DATE
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**INSTRUCTIONS FOR FILING
WELFARE EXEMPTION SUPPLEMENTAL AFFIDAVIT
ORGANIZATIONS OPERATING ON CLAIMANT'S REAL PROPERTY**

FILING OF AFFIDAVIT

This affidavit must be filed by the owner of real property seeking exemption on real property operated by another organization more than once a week. 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. If you do not complete and file this form, you may be denied the exemption.

The owner of a property must hold a valid Organizational Clearance Certificate (OCC) issued by the State Board of Equalization (Board) before an Assessor can approve a property tax exemption. In order for the owner to receive exemption on the property, the operator of the property must be organized for welfare exempt purposes and the property must be used for welfare exempt purposes. The owner may demonstrate qualification for exemption by furnishing information to the Assessor regarding each operator.

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

SECTION 1. Identification of Claimant and Property.

Identify the name of the organization that owns the real property (the claimant), and the address and Assessor's Parcel 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. Organization(s) Operating on the Property.

Provide the name of the organization(s) operating on the property and the purpose(s) of each organization.

Check the appropriate box(es) to indicate if the operator is exempt from federal income tax under the provisions of section 501(c)(3) of the Internal Revenue Code and/or exempt from state franchise or income tax under the provisions of section 23701d of the Revenue and Taxation Code. If you are filing this affidavit with the *Claim for Welfare Exemption (First Filing)* (BOE-267), submit a copy of the tax-exempt status letter of each operator. If you are filing this affidavit with your annual filing (BOE-267-A), and the property is operated by any organization(s) not previously identified on prior affidavits, submit a copy of the tax-exempt status letter for each new operator.

Provide a description of the property used by each operator, including the square footage used; attach a copy of the lease or agreement for use of the property, if a current copy has not already been provided with a previous claim filing; state the amount and frequency of any rent or fees paid by the operator; and provide a description of how the operator uses the property, including the frequency of use.