

Bond Case Briefs

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Maetreum of Cybele, Magna Mater, Inc. v. McCoy

Supreme Court, Appellate Division, Third Department, New York - November 21, 2013 - N.Y.S.2d - 2013 N.Y. Slip Op. 07788

Not-for-profit religious corporation commenced proceeding under Article 78, seeking review of town board of assessment review's denial of its applications for real property tax exemptions. Town contended that the property in question was used primarily to provide cooperative housing because, in essence, the few adherents of the religion had in effect just continued the property's former residential use.

The Supreme Court, Appellate Division, held that religious corporation had met its burden of demonstrating that the property was used primarily for religious or charitable purposes, and, thus, it was tax exempt.

To qualify for the property tax exemption for property used for religious or charitable purposes: (1) the petitioner must be organized exclusively for the purposes enumerated in the statute; (2) the property in question must be used primarily for the furtherance of such purposes; (3) no pecuniary profit, apart from reasonable compensation, may inure to the benefit of any officers, members, or employees; and (4) petitioner may not be simply used as a guise for profit-making operations.

Property uses that are merely auxiliary or incidental to the main and exempt purpose and use will not defeat the property tax exemption for property used for religious or charitable purposes.