

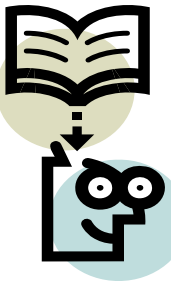
# Tips For Treasurers



THE DIOCESE OF COLORADO

May 1, 2006

## Leadership Workshops Set for Summer of 2006!



The Bishop's Office, in conjunction with the Colorado Episcopal Foundation, is offering "**Empowered Vestry Ministries: Faithful in Business and Leadership**" workshops this summer for clergy and lay leaders. These workshops will cover some of the same topics covered in previous

"Treasurer's Workshops, but have been expanded to include topics of interest to all members of the Vestry or Bishop's Committee as well.

As we did last year, we will hold a workshop for each region and, as we did last year, the workshops will run all day on Saturday, from 9 am to 4 pm. There the similarity ends, however. This year's curriculum and the intended audience are greatly enhanced and expanded. This is no longer just a financial workshop. It is a leadership training workshop designed to empower Vestry and Bishop's Committee members, Wardens, Treasurers, Rectors and Vicars. To reflect the wider audience, the name has been changed to

### "Empowered Vestry Ministries: Faithful in Business and Leadership."

The presenters will include The Rev. Canon Lou Blanchard, Bob Leaman and Pam Greenfield from the Diocese and Anita Sanborn and Scott Asper from the Colorado Episcopal Foundation. We anticipate a few guest presenters as well to add a variety of interests and talents to the process. To address a wide variety of topics and interest, we will have a morning and afternoon general session for all plus breakout sessions targeting leadership and congregational issues for the vestry/bishop's committee members and financial and business issues for the treasurers and others involved in parish accounting and finance. Your church can bring a team of participants to take advantage of both tracks. We anticipate that these workshops will fill up quickly so watch for the brochures to be delivered shortly to your congregation and return your registration form quickly!

More information is available on the diocesan web site, in the Ministry Support section.



### Empowered Vestry Workshop Dates

- June 17—Grand Junction, St. Matthew Episcopal Church
- July 8—Monument, St. Matthias Episcopal Church
- July 22—Ft. Collins, St. Paul's Episcopal Church
- August 5—Monte Vista, St. Stephen the Martyr Mission, and
- August 19—Denver, St. John's Cathedral.

## A Property Tax Exemption Primer

Under Colorado law, organizations which are charitable, educational, or religious in nature can be fully or partially exempt from property taxes. Simply having a non-profit status under Federal IRS rules does not automatically carry an exemption from local property taxes. To apply for an exemption, you may download the application and other information from the State of Colorado-Division of Property Taxation's Web Site ([www.dola.state.co.us/propertytax](http://www.dola.state.co.us/propertytax)), then click on exemp-

tions. Under Religious Worship you will find: Application Form, Rules, and Statutes. You may also call the State Division of Property Taxation at 303-866-2371. There is also a link to the Application Form and related information from the Ministry Support section of the Diocesan Web Site. Click on Ministry Support, then on Finance and Administration and scroll down.

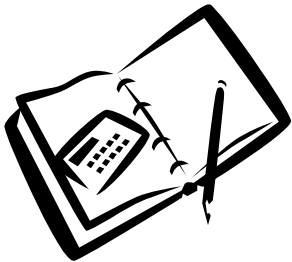


proclamation  
discipline  
discipleship  
service  
servanthood

# Tips For Treasurers

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## Tips for Completing Property Tax Exemption Forms



EVERY CHURCH  
... MUST APPLY  
FOR THE  
EXEMPTION IF IT  
ACQUIRED NEW  
PROPERTY ...



1. Read the instructions carefully – failure to properly complete the form may lead to delays or rejection.
2. If the church is used by other organizations, they must be listed in Sections 10 (uses that further the mission of the church), Section 11, non-profit organizations but not in furtherance of the religious mission, or Section 12, non-exempt uses. Your objective should be to list as many under section 10 as possible and as few as possible under section 12. Additionally, the number of hours of use for non-exempt purposes (Section 15) should be minimal, which means that you should be very careful about allowing the church to be used for for-profit activity so as to not jeopardize the loss of a portion of your exemption. **Suggestion:** After stating your religious mission in Section 9, add to it something like the following: “In furtherance of this mission, St. Swithins Church will seek to bring others to Christ by becoming a center of community activity and make its facilities available to others whenever practicable, especially those that teach, care for children, or carry on humanitarian work.” In this way, a non-religious day care center, for example, could be listed under Section 10, rather than Section 11 or 12. (The State actually challenged one of our churches which rented its facilities to a not-for-profit day care center and was going to tax the facility on the basis of the hours used by the day care center to the total, which would have been quite substantial. The Church finally won on appeal by incorporating into its mission a phrase such as that used above.)
3. Vacant property will normally be taxed unless it can be demonstrated that the property is regularly used and there are sufficient indicators of intent. If you have acquired the property with the intent of building a church, you may be able to get the exemption by showing that you are taking active steps such as hiring an architect, seeking zoning changes, conducting a fund raising campaign, etc. You may show regular use by scheduling sunrise services on the property at Easter, outdoor masses in the summer, parish picnics and the like.
4. If your property was acquired in 2005, but you have not yet made application for exemption and you have received a tax bill, you may still apply and ask for the exemption to be effective upon the transfer of the property. However, the application goes to the County Assessor and the taxes are paid to the County Treasurer. Therefore, you should notify the County Treasurer that the application is pending in order to keep the property from being sold at tax sale for non-payment of the prior year’s taxes! Be sure to keep copies of your application and all such notices for your records.
5. Every church, be it a parish or a mission, be it an aided congregation or not, must apply for the exemption if it acquired new property over the last year. If the church holds vacant property which has been taxed in the past, believes it can establish a use and/or evidence an intent to use, it should apply for exemption. If your property was transferred to the church from the Diocese, this is an acquisition as far as the State is concerned. Even though it may have previously had an exemption under the Diocese, you must apply for a new exemption as a new owner.

## The Annual Exempt Property Report

Once you have obtained the exemption, you must keep it active by completing an Exempt Property Report each year. This report will be mailed by the State of Colorado around the end of February each year **to the record owner of the property**. If your church is a mission, the record owner is the Diocese. There are also some parishes that still show the record owner of the property as the Diocese. **If the Diocese is the record owner and you receive this form by mistake, please forward it to the Diocese, to the attention of the Finance Department.**

The Diocese will complete and file this form for each parcel of which it is the record owner. The Diocese will then copy this form to the church along with a bill for

the filing fee, which, for 2006, is \$53, if filed timely by April 17, 2006 (the fee jumps to \$150 if filed between April 18, 2006 and July 2, 2007).

If the church corporation is the record owner of the property, then you must complete this form. It is very similar in many ways to the application form discussed above. Consider the tips outlined above and expand your mission statement so as to list as many uses of the church as possible under Section 7 "Uses of the Property which were in furtherance of your religious Mission and Purposes."



## Could Your Property Be Taxable?

**Property not used for Religious Mission and Purposes is taxable.** This includes vacant land which is not used and no current effort to develop can be demonstrated. It also includes a rectory no longer used by your rector and now rented out to others, even though the rental proceeds are used for the mission of the church. If you own property which is taxable, you will receive a tax bill in January which is for the previous year taxes (we pay taxes in arrears in Colorado). You may pay in two installments in February and June or in full in April. You will receive an assessment notice, Real Property Notice of Valuation, usually around the 1<sup>st</sup> of May each year. **If you do not feel the property has been assessed fairly, you may protest, but you must do so not later than June 1<sup>st</sup>.** Instructions for pro-

testing an assessment will be included with the Real Property Notice of Valuation. If you are a mission which has purchased property and are holding it for future development, the Diocese will receive your tax bill (and notice of valuation) and forward it to you for payment. If you are a mission and wish to protest an assessment, you should prepare your protest and forward it timely to the Diocese for filing on your behalf.

Property taxation and tax exemption can get somewhat complicated. If you are in doubt about how best to proceed or how to complete the forms, call your Finance Office at the Diocese. We are here to help and are always pleased to do so.

### PROPERTY

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