

The taxman cometh: Scranton diocese to pay taxes on closed churches From the National Catholic Reporter

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The downsizing of dioceses around the country, sometimes dramatic, is creating a tax revenue opportunity for local towns and cities. In Scranton, Pa., the diocese is going to begin to pay taxes to the county on closed parishes. One interesting type of case involves parishes that are substantially closed, but have periodic religious activities. Should these properties be taxed? If so, how?

Another interesting aspect of this new tax issue for dioceses is where will the money come to pay for these new tax bills within diocesan budgets, which up until the time of parish closures did not exist. Will the liability be sent downstream to the remaining, open parishes, say, by increasing the diocesan tax on parish general revenues called a [cathedraticum](#)? Cathedraticum

A certain sum of money to be contributed annually for the support of the [bishop](#), as a mark of [honour](#) and in sign of subjection to the [cathedral church](#), hence its name. In the early ages of the [Church](#), contributions for the support of the [bishop](#) were tendered rather through custom than by [law](#).

Or, will payments come from the bishop's annual appeal? The money has got to come from somewhere.

Another interesting perspective on this issue is the diocesan view of taxes, generally. As a corporation and major land owner, the bishop sets all policies related to governing the diocese. His responsibilities include laying out his local church's view towards paying taxes.

The *Times Leader* newspaper [reports on the new taxes](#) to be paid by the Scranton diocese:

Luzerne County has started taxing church properties that are not used for religious services, officials say.

The county Board of Assessment Appeals had authorized the assessor's office to proceed with the taxation plan around the end of 2009 after other counties starting issuing tax bills to closed churches and parochial schools.

The first tax bills went out last year, and some additional church properties were added to the rolls this year, records show.

The law says all churches or "actual places of regularly stated religious worship" should be exempt, but county Assessment Director Tony Alu said this condition isn't met when there is no regular worship.

County assessment records show an estimated 30 church properties have returned to taxable status to date. Most are part of the Diocese of Scranton, which implemented a consolidation plan to close some schools and churches throughout the county to save money.

The 30 properties have a combined assessed value of about \$8.6 million, which equates to roughly \$44,995 in county tax revenue. The rest of the tax bill varies based on each property's school and municipal tax rates.