

Lets take a look at how a Public Charity Advises how to file for exemption in Pennsylvania

Recommendations for Pursuing Tax Exemption Property Tax Exemption for Preserves, Parks, Trails, and Other Conserved Lands

<https://weconservepa.org/>

First, set the stage for successful applications:

- Individual people make up Boards of Assessment Appeals. Even before you have an application pending, develop good relationships with Board members and staff. Help them understand who you are and the good charitable work you do.
- Likewise, develop good relationships with the officials of the taxing bodies that won't be receiving tax revenue if your application is successful. Help them understand how your work benefits their community.
- Scrupulously follow the specific requirements of the tax assessment office in the county where the property is located. The application and instructions for each county are available online. In some counties there are separate webpages for the application and the instructions. One application must be filled out for each parcel. The filing fee (typically ranging from \$50 to \$200 is per parcel) must accompany the application. Mail applications certified mail/return receipt to document timely filing.
- Don't miss the application deadline to file for tax exemption (or the deadline to appeal an exemption denial to a court)! It can be an expensive mistake. Postmarks are NOT accepted as meeting the filing deadline. If you do miss the deadline, consider filing a nunc pro tunc appeal which allows the Board to consider your application despite you not having followed the technical appeal or application requirements.
- Know how frequently your particular jurisdiction requires charitable organizations to file for exemption. (For example, Philadelphia and Allegheny Counties revisit exemption status annually and triennially respectively.)
- Since taxes must be paid for the year in which the property is acquired, other issues aside, consider timing settlements to be near year-end (but not so near as to risk going into the following year) to minimize the organization's tax liabilities.
- Submit an exemption request as soon as possible after settlement but not before you think you can make a strong case for exemption. For example, a delay may be worthwhile to give the organization time to post parking signs and announce on the internet that the site is open to the public.
- Engage an attorney experienced in presenting cases before the Board in your area. (Contact your local bar association to determine who has this specialty and reach out to other charitable organizations in your area to get recommendations.) Work with the attorney to prepare a strong case.
- Determine who within your organization can best provide articulate, calm testimony to the Board. In the content of the application Don't expect the people of the Board of Assessment Appeals to understand the charitable value delivered by a property without being provided a clear and detailed explanation of it. Identify public benefits delivered by the property that both square with the law and

resonate with the values and priorities of Board members and staff. Demonstrate how the organization meets the HUP test and show how the property is actually and regularly used for charitable purposes:

- If the public has or will have access to the land for recreation or education, state this and demonstrate it: Provide brochures showing the property and web announcements about opportunities for public access on the property; be prepared to explain how and to whom the information is disseminated.
- Explain how the property meets a need identified by government, for example, the land's inclusion on an open space and recreation plan.
- Describe government support for the acquisition of the parcel, for example, a grant from the state, county, or local government.
- Describe how the property relieves the government of burdens and demands for services; for example, the need to establish a new public park or obtain land for outdoor educational programs by the school district.
- Describe the costs savings to and costs avoided by government as a result of the protected open space, for example, the costs of water treatment, stormwater management, and road maintenance. Some organizations explain how avoiding development on a parcel avoids the need and associated costs of building and maintaining schools and expanding municipal services.
- Describe the benefits the property provides to people at no charge; for example, providing cleaner air and water, reducing noise, and preserving scenic views.
- Describe improvements made to the property for the public benefit; describe maintenance of the property.
- To the extent that any of these benefits provide particular benefit to people of low income, highlight this.

The Rules Are Subject to Change In 1997 the Pennsylvania General Assembly unanimously passed the Institutions of Purely Public Charity Act (also known as "Act 55"). This law incorporated the 5-part HUP test but broadened it and added a rebuttable presumption that if an organization possesses a current sales tax exemption (granted by the Pennsylvania Department of Revenue), the Boards of Assessment Appeals should presume that the organization is an institution of purely public charity for property tax purposes.

The Pennsylvania Supreme Court took issue with Act 55 in *Mesivtah Eitz Chaim of Bobov, Inc. v. Pike County Board of Assessment Appeals*. That case opined that only the Court had the right to define the Constitution's minimum requirements for tax exemption. Although the court did not overrule Act 55 or find it unconstitutional, the decision in effect made Act 55 largely irrelevant by reinstating the five, court-determined HUP factors as the threshold test—a more stringent standard for exemption than Act 55.