

## **May 5<sup>th</sup>, 2025 PTABOA EXEMPT HEARING**

Laura- It is May 5<sup>th</sup>, and we are meeting this morning to hear exemption filings. Present are Judy Affolder, Ben Beer, Nathan Schrock, Kimi Elzey, Isabelle Stillions and Laura Roberts. And we can go ahead and get started. You guys are from Christian Care, correct? So, we can get started with Christian Care if you would like to.

Apostolic Christian Care  
90-05-27-400-003.001-011

Isabelle- Sure, Okay so we will get started with Apostolic Christian Care. The location of their duplexes is Shore Drive. Parcel # 90-05-27-400-003.001-011. They are asking for 100 % exemption. They added two new duplexes for the retirement community. This is a non-for-profit retirement community.

Laura- Do you have a suggestion or position?

Isabelle- We suggested that they should get 100% exemption.

Laura- Are you guys aware that this exemption might fall off in 2027?

ACC- Yes, we know. Yes, we have been updated.

Laura- Do you guys want to state your names.

ACC- I am Austin Smith executive director. Leon Gerber. Yes, we are aware that there is a 2-year provision with the bill that is going through the legislative session. And these do not have a platform of \$500,000 or more.

Ben- I'd like to make a motion to grant the exemption.

Nathan- I second that.

Isabelle- So, with the Apostolic Christian Care, we will grant the 100% exemptions for the two new duplexes. And I will add it on there. Thank you, you are good to go.

Prime Realty Holdings- Wells County Division of Family Resources  
90-05-33-100-020.000-011

Isabelle- So, Prime Realty Holdings for the Wells County Division of Family Resources. This is on 935 N Main St in Bluffton. Parcel # 90-05-33-100-020.000-011. We do believe that this is a state agency because they do have a state lease. And they are asking for a partial exemption which we believe that they should receive. And their use of the building, it says, is for food and cash assistance, health coverage, addiction and health related items.

Ben- This is just a general question. Whether they are or aren't a state agency, is there absolute proof of that you are referencing. How are we assured of that?

Isabelle- The difference that we have seen is that these leases actually state on there that it's a state lease. Rather than the other ones just state on there- lease agreement. And there are some state

summaries and stuff like that. Like this one states- State of Indiana. The other ones did not have that. They just said- lease agreement. From what we could see.

Ben- And I maybe it doesn't exist, but I was wondering if there is a number or code that we can reference and say "Yep, you are checked marked."

Isabelle- Yes, we do have the code. I believe I put it in the packet as well. It is IC 6-1.1-10-2. And in section B. The real estate property leased to a state agency is exempt from property taxes.

Ben- I see. Okay, thank you. It is just my understanding so that there is no question.

Isabelle- And it is kind of what we based it off from too. Because their lease actually says State of Indiana Lease. Whereas some of the other ones that I will be presenting to you don't. They don't have anything to say about state lease or anything of that sort. That is kind of what we were basing it off from too.

Ben- Yes, I would like to take a motion to accept a partial exemption per the recommendation here.

Judy- I will second.

Isabelle- Okay for the Wells County Division of Family Resources, we will put on there that they are getting a partial exemption. And that will be based off from how much space they are occupying within the plaza that they are in.

BAF Investments LLC- Community & Family Services of Wells County Office  
90-05-27-300-011.000-011

Isabelle- Okay, the next one is BAF Investments LLC which is for Community & Family Services of Wells County. The location is 1169 N Main St, Bluffton. The parcel # is 90-05-27-300-011.000-011. We believe that this is not a state agency. They don't have a state lease for this. They are asking for partial exemption. And we believe that they should not get the exemption on this one. Our suggestion is to not grant an exemption on this one.

Laura- I will just state for the record that in the "Open Bucket" decision, the Indiana Supreme court addressed a taxpayer's claim that part of their building was leased to a church, and they were entitled to a religious or charitable purpose exemption. And that was under Indiana code 6-1.1-10-16 section A. And the "Open Bucket" decision was that in order to qualify for an exemption a property must be-1) owned for exempt purpose 2) occupied for an exempt purpose 3) and used for an exempt purpose. And so, that is what we based all of our decisions on.

Ben- And those are all "Ands" and not "Ors".

Laura- Correct. Yes, and it must be all three of them to qualify. Unless it is owned by a state agency. And that language was added a little bit later.

Judy- On this paper that we received. Under Community and Family Services of Wells County. It is stated that this is a state agency.

Laura- Where is that at?

Judy- the copy, I don't know maybe the one I printed off from my computer. So, is Community and Family Services not a state agency? Have they not filed?

Laura- Is that the one that I sent, and you made changes (Isabelle) and we thought it may be a state agency?

Judy- That could be. On the first one, Wells County Division of Family Resources, we believe that this is a state agency. And on the second one, Community & Family Services Wells County office, we believe this is a state agency.

Isabelle- And with the packets that I just gave you, I redid a couple of them on there. Just because we had done more research. And had looked into their- yup. We were trying to get more information on basically what they were doing. And for this one, I even looked on their website. We really did some digging. And Laura and I cannot find anything there where they state on their website we are funded by the state. They didn't say anything there that clearly stated that is where their funding was coming from. And that is why we changed our minds about that one. And then I reprinted new stuff out for you guys.

Judy- And this is one that supplies nothing on its own.

Isabelle- Correct. We have not gotten anything on this for personal property exemption on our side at all. The only thing that I did find was that the use that they have programs for housing and programs for WIC and stuff like that. But that is all I found there regarding that type of thing.

Judy- Let me go back. So, did Wells County Division of Family Resources file something?

Isabelle- They had a state lease. I guess that since none of these businesses filed anything themselves. Blake provided a state lease for the Wells County Division of Family Resources. And another state document is in there as well. On these ones, we did not get a state lease. And we didn't find anything where their funds came from on the website.

Laura- So, the one with the Division & Resources, even if they had filed themselves for a personal property deduction; the fact that they provided a state lease qualifies them for the building portion to be exempt.

Ben- Without being a state organization themselves, they have a state lease. Is that what you are saying?

Laura- They are a state organization. On their website, they are fully funded by the State of Indiana. They have the state seal on their lease. So, they are actually a state organization.

Ben- Whereas, presumably, Community & Family Services is not.

Laura- Correct. They are private entities. Not state.

Isabelle- As far we could find with looking up leases and on their website. We couldn't find where specifically they said we are funded by the state. We looked and we couldn't find where their funds were coming from the state on that as well.

Laura- Do you want to go ahead and do Lifeline also?

BAF Investments LLC-Lifeline Youth & Family Services

90-05-27-300-011.000-011

Isabelle- Sure, we can go ahead and do that one as well since it is in the same building. Lifeline Youth & Family Services. Location 1169 N Main St, Bluffton. The parcel # is 90-05-27-300-011.000-011. And once again, we believe this is not a state agency. Based off from one; they do not have a state lease from what we could see. And also, we did find something on their website. That majority of their funds are from contracted fees for services. So, that makes us believe that they are not getting monies from the state to fund their company. And they are asking for a partial exemption on that one. We believe that they should not get a partial exemption.

Ben- Just so it is crystal clear to me. So, if they are not a state organization, but they have a state lease what does that mean. Is it the language in the lease. Or does it mean that the monies are going to the state organization. Like for instance, if I had an organization that wasn't state owned and I signed a lease with JD who is the property owner, and it was a state lease. That doesn't exempt the lease, does it?

Laura- I don't think you would be able to get a state seal. These leases come from the state.

Ben- So, it is more than just the actual language.

Laura- They actually have the state seal on their leases.

Ben- And do the state leases actually go...

Laura- Come from the state. If they weren't a state organization, they would not be paying their rent.

Ben- Okay, so it is never the case that it's not a state organization, but they have a state lease.

Laura-Correct

Ben- It's and,,, correct. Okay.

Judy- It is sad to me that these organizations haven't filed something. That would give a big picture of what was really going on. Is it educational or charitable? You could see something there.

Ben- But even in that case, it doesn't apply right because the only time the property gets an exemption is if it is state owned, right. So even if they themselves were exempted, it still doesn't matter, correct?

Judy- I may have been in this too long, because I got a lot of feelings about some of this stuff.

Ben- No, I agree but, it's kind of wrong, but it's the law.

Laura- If it's not used, owned and occupied; it cannot have an exempt status on their real estate. They can be exempt for their personal property and all the things that they use to run their business, but not on the actual building that they are using.

Ben- I make a motion to deny the exemption on the second and third on the list Community & Family Services and Lifeline Youth & Family Services for BAF.

Nathan- Before we move on, they are requesting the exemption. So, is the standard appeal kind of appeal the same for exemptions?

Laura- No.

Nathan- The burden of proof is on them.

Laura- And it is the building owner. It is a strip mall. It is a building owner that is applying the exemption status.

Nathan- Okay. In that case, I will second the motion.

Ben- On that, I think it would be nice if it was confusing for someone to say, here is what you would need to demonstrate that your tenant is valid. So, you could look it up on this list or documents. You know what I mean? I assume Blake asked.

Laura- I believe that he has asked about these before. Before I was even the assessor. And he was denied and apparently someone told him, "No, you qualify and you should apply." And so, this time he actually brought in all the paperwork and leases. And applied for the exemption. We told him that they needed to be state leases. And he thought that just because they were an exempt organization that they would qualify.

Helping Hand Crisis Pregnancy Clinic

90-05-27-300-011.000-011

Isabelle -The next here is Helping Hands Crisis Pregnancy Clinic. The location where they are asking for the exemption is Commerce Drive. Their current location of the business 116 E Dustman Drive, suite B, Bluffton. Commerce Dr, Bluffton. Parcel # 90-05-22-300-046.009-011. They are asking for 100% exemption. Currently the land is vacant, but... I printed off the blueprints and everything that they have made up for the plans for the new building. And they provided all the required paperwork for the exemption. Including all their 501's, summaries and that kind of thing. And we believe that they should get the exemption. They are a charitable business.

Laura- Did they give a timeline on when they were going to build?

Isabelle- She had some when she came in to file the exemption that they were planning on building when they got the funds. She did not specifically say a timeframe on how long the funds for that. Or how close they were to getting funds for that to build. And on the paperwork that they did file, they did say that all their programs are at no cost to their clients. Charitable, and they have charitable marked down here as well.

Judy- I am assuming that currently, they are an exempt organization.

Isabelle- Yes, currently at the location they are at they are an exempt organization. They are just asking for an exemption on the property they have plans that they want to build on. Like I said, they have already provided the plans on what they are planning on doing with the space that they apply for.

Ben- And the documentation, I assume, confirms that they are the owner. Right?

Isabelle- Yes.

Ben- Okay.

Judy- I would move to grant the motion.

Ben- Second it.

Isabelle- Okay for Helping Hands we are doing the 100% exemption.

Itown Ministries

90-05-22-200-006.000-011

Isabelle- And just the last one that we wanted to speak on record about is Itown Ministries. They moved locations and built a new property. And Laura did call them and leave a message. And our field guy Adam, when he was out at the property when they built the property, he told them you will need to file for an exemption again on this property. They were exempt at their other location, but they never filed anything on their current location. So, we were going to remove them from the exemption on personal property and on real estate. Because they moved locations, they were going to have to file at their new location with us.

Laura- Their old real estate location was not exempt because it didn't fit the criteria. But they did have an exemption on their personal property that will come off because they moved locations. So, next year their real estate and personal property will both be taxed.

Ben- Is the ownership deadline, or the owner of record on January 1<sup>st</sup>?

Laura- Yes.

Ben- So, they owned the property on January 1<sup>st</sup> for that year.

Laura- So their personal property for 24pay25 is still exempt. Now for 25pay26, with them moving to the new location and the deadline to file for the exempt status was April 1<sup>st</sup>. And that deadline was not met.

Judy- Did they file an exemption when they were building out there?

Laura- No. Yes, they did file. Their land was exempt. You are correct. Their land was exempt until they built their new building. And then the status changed because anytime you add it affects your filing date. The state requires that if you add something then you must refile for your exempt status.

Ben- So, that in the beginning of 24, they owned the ground, and they were exempt from any tax.

Isabelle- And I guess that is why I am saying on the real estate, that it no longer can be exempt. I have two folders here, one for real estate and one for personal property. And they will no longer be exempt because they didn't file again. Because of the new building there.

Laura- And their personal property was exempt at their old address and that is why it is declined.

Ben- I am not meaning to split hairs, but I know that this is going to be a big deal for them. Their building was presumably in some state of construction last year. That doesn't matter.

Laura- I don't think that it was. They built it quickly.

Isabelle- You mean 2024. Right?

Ben- Yes, in 2024 there was some level of building out there.

Isabelle- It was built completely by 2024. I drove by it everyday because I was going that way.

Judy- But it wasn't assessed in 2024. Correct.

Isabelle- So when Adam our field guy went out to check on the status of the building like he does. With any new construction he will put in a percentage based on how much it is complete. And when he was out there, he had told them you have to file exemption on this now that the building is built. And they went like why we need to do that, like we don't have to right. I mean it is a choice, right. And Laura tried to call and so. We did try to tell them at least twice to file again.

Ben- And the reason I am asking, let's say it was 80% done on January 1<sup>st</sup>, 2025. Are they still required for an exemption? Or does the building no matter.

Laura- I believe the reasoning that they would still be exempt for 24pay25 was because it wasn't started on January 1<sup>st</sup> of 2024. And that is our assessment deadline. So, January 2024, January 1<sup>st</sup>, the building had not been started yet. So, that took care of that year. So, on January 1<sup>st</sup>, 2025, it was well on its way. I don't know if it was completed or not.

Isabelle- I don't know if Adam had it 100%. But the building was pretty much up before 2025.

Laura- Therefore, as of January 1<sup>st</sup> of 2025, they needed to refile because their new building was 100% complete.

Ben- And again, let's say if the building was 80% complete is the assessment based on the condition and the percent complete on January 1<sup>st</sup>, 2025.

Laura- Yes.

Ben- So, that might save them a little bit. Right? If it's not 100% complete.

Laura- If it's not complete. That is correct.

Isabelle- If we don't have it as 100% complete. When he went out to check it. (Looking at property record card) Okay, right here. This will tell us. So, we have that 12/20/2024, a comment from our field guy saying that- added church 100% complete for 25pay26.

Ben- So, it was done.

Isabelle- 100% complete

Ben- And there is no mechanism where they could probably avoid this, is there.

Laura- No. It is a state deadline. And we have denied other people that have filed after the deadline.

Isabelle- We even say, if you are a day late, you are passed the deadline. Just because you let one person go past the deadline by one day, other people are going to say, why can't I do that too. We really stick to that deadline.

Judy- So it is passed the deadline.

Ben- So if they are a church and they have multiple locations, it is by location by the county that they are operating in.

Laura- Yes.

Ben- It is not an aggregate thing.

Laura- I hate it. I tried.

Ben- Does someone need to make them aware and follow up? I am glad to say something, I know a lot of people. I know the main pastor pretty well.

Laura- I feel like it might be okay if you let them know that they will get a tax bill for personal and real estate for next year. The number that I called was a 317 number. I am sure that it is an Indianapolis location. It is never something that we want to happen. But we can't.

Ben- I am glad to contact them if it isn't out of bounds to do it.

Laura- I don't think it is at all.

Isabelle- Adam did talk to someone when he was actually out there. That is why I thought it was 100% because when he was out there he talked to someone who was at the building to file.

Ben- Do we know the dollar amount yet.

Laura- No. With all the changes that happened in session, we can't. When I get back to the office. I have a tax bill calculator that I can give them a fair estimate of what it could be. I can send that to you.

Ben- And again, this is pay 26.

Laura- Yes 25pay26. So, they have a year to prepare for it.

Isabelle- They were exempt for 24pay25.

Ben- Okay. Should we make a motion on Itown?

Laura- Yes, I believe that we probably should.

Judy- Due to the errant filing on the current exemption of Itown church, I move that we do not extend their exemption for 25pay26.

Ben- I second it.

Laura- We have a motion to adjourn.