

# MEMORANDUM

**TO:** CENTERS FOR SPIRITUAL LIVING      **CLIENT/MATTER:** ICSL / 1065217  
**FROM:** CAROL P. SCHANER AND MARYAM K. ANSARI      **CC:** CAROL P. SCHANER  
**DATE:** OCTOBER 17, 2011  
**RE:** CENTERS FOR SPIRITUAL LIVING: MASTER MEMORANDUM - STATE EXEMPTIONS

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## CIRCULAR 230 DISCLOSURE

PURSUANT TO APPLICABLE U.S. TREASURY DEPARTMENT REGULATIONS, WE ARE NOW REQUIRED TO ADVISE YOU THAT, UNLESS OTHERWISE INDICATED, ANY FEDERAL TAX ADVICE CONTAINED IN THIS COMMUNICATION, INCLUDING ATTACHMENTS AND ENCLOSURES, IS NOT INTENDED OR WRITTEN TO BE USED, AND MAY NOT BE USED, FOR THE PURPOSES OF (I) AVOIDING TAX-RELATED PENALTIES UNDER THE INTERNAL REVENUE CODE OR (II) PROMOTING, MARKETING OR RECOMMENDING TO ANOTHER PARTY ANY TAX-RELATED MATTERS ADDRESSED HERE IN.

## LEGAL DISCLOSURES

THE INFORMATION PROVIDED IN THIS MEMORANDUM IS OF A GENERAL NATURE AND IS NOT INTENDED TO BE RELIED UPON FOR SOLUTIONS TO SPECIFIC LEGAL ISSUES OR TO SERVE AS A SUBSTITUTE FOR CONSULTING WITH LOCAL COUNSEL ON THE FEDERAL, STATE AND LOCAL TAX ISSUES THAT MAY AFFECT THE INDIVIDUAL MEMBER COMMUNITIES OF CENTERS FOR SPIRITUAL LIVING.

## IMPORTANT NOTICE

PLEASE REVIEW THE DISCUSSION ABOUT UNRELATED BUSINESS TAXABLE INCOME AT PAGE TWO OF THIS MEMORANDUM.

## UNRELATED BUSINESS TAXABLE INCOME

Organizations, including religious organizations, that are exempt from federal taxation for income tax purposes under IRC §501(c)(3), remain subject to tax on income derived from activities that are not substantially related to their tax-exempt purposes, *i.e.*, unrelated business income. Your Center may be subject to the tax on unrelated business income under IRC §511 *Imposition of Tax on Unrelated Business Income* if it has income that is (a) from a trade or business, (b) regularly carried on, and (c) the activity is not substantially related to the exempt purpose of the Center.

The term “trade or business” generally includes any activity that is regularly carried on for the production of income from the sale of goods or performance of services. For example, this term would include activities such as selling goods at a church bazaar, selling commercial advertising in a church magazine, and the operation of factories, hotels, and radio stations. Therefore, it is important to consult with local counsel or the accountant for your Center about the federal tax on unrelated business income and applicable exemptions, as well as the equivalent tax in your State if your Center is engaged in activities that are not related to its exempt purpose.

**A COMPREHENSIVE DISCUSSION ABOUT THE TAX ON UNRELATED BUSINESS INCOME IS BEYOND THE SCOPE OF THIS MEMORANDUM. NOTE THAT THE INFORMATION PROVIDED IN THIS MEMORANDUM IS OF A GENERAL NATURE AND IS NOT INTENDED TO BE RELIED UPON FOR SOLUTIONS TO SPECIFIC LEGAL ISSUES OR TO SERVE AS A SUBSTITUTE FOR CONSULTING WITH LOCAL COUNSEL REGARDING THE FEDERAL, STATE AND LOCAL TAX ISSUES THAT MAY AFFECT THE INDIVIDUAL MEMBER COMMUNITIES OF CENTERS FOR SPIRITUAL LIVING.**

See, Circular 230 Disclosure at the top of page one of this Memorandum. This Disclosure is applicable to every page of this Memorandum. Also see the discussion at page two of this Memorandum regarding the taxation of unrelated business income for federal and state income tax purposes.

## **ALABAMA**

### Filing For The Alabama Exemption from Income Taxation

Charitable organizations (Centers) exempt from federal income tax under IRC §501(c)(3) are automatically exempt from corporate income taxes in Alabama. No additional filing is required.

### Sales and Use Tax

Religious organizations and institutions, including churches, are not exempt from the payment of sales and use taxes in Alabama.

### Property Tax Exemption

Contact your local County Assessor's office to find out if and how your Center can claim a property tax exemption if your Center owns real property.

### Alabama Related Resources

- Alabama Secretary of State: [www.sos.state.al.us/](http://www.sos.state.al.us/)
- Alabama Attorney General: [www.ago.state.al.us/](http://www.ago.state.al.us/)

## ALASKA

### Filing For The State Exemption

A tax-exempt organization is subject to the Alaska Corporation Net Income Tax to the same extent it is subject to tax under the Internal Revenue Code. Therefore, no State filing is required in order for your Center to obtain tax-exempt status for state income tax purposes.

### Sales and Use Tax

The State of Alaska currently does not have a sales and use tax. However, some jurisdictions impose local sales taxes. For additional information and for guidance concerning applicable exemptions from sales tax, see the Alaska Department of Commerce and Economic Development's webpage for municipal taxation rates and policies.

### Property Tax Exemption

If your Center owns real property, contact your County Assessor's office to determine whether the property is exempt from property tax and the forms that need to be filed to properly claim the exemption.

## ARIZONA

### Filing For The Arizona Exemption From Income Taxation

In order to obtain an exemption from Arizona Income Taxation, your Center is required to provide the following information to the Arizona Department of Revenue (address provided below):

1. Cover letter from your Center requesting a state tax exemption;
2. Correspondence from Centers for Spiritual Living stating that your Center is covered under the Group Exemption Letter, if applicable, and the address of your Center; and/or
3. Copy of the Group Exemption Letter of Centers for Spiritual Living or copy of your Center's letter from the Internal Revenue Service granting tax-exempt status under IRC §501(c)(3).

#### Address:

Arizona Department of Revenue  
Corporate Income Tax Audit  
1600 W. Monroe  
Phoenix, Arizona 85007-2650

#### Sales and Use Tax

Arizona has a sales/use tax, which is referred to as the Transaction Privilege Tax (TPT). The tax is also commonly referred to as a Sales, Resale, Wholesale, Vendor or Tax License. Arizona Publication 501 lists certain exemptions to the Transaction Privilege Tax as follows:

"Generally, sales made to churches, schools and other non-profit organizations are subject to Transaction Privilege and Use Tax. However, the following types of transactions are not subject to the state's Transaction Privilege Tax. (Cities impose their taxes separately from the state. Contact the cities for information about exemptions from city privilege and use taxes.)"

The applicable transactions which are exempt from Transaction Privilege Tax include:

1. Retail sales made by a non-profit charitable §501(c)(3) organization that is recognized by the IRS as a non-profit charitable organization. This exemption pertains to sales by the organization, not purchases.
2. Sales of food and drink for fund raising by churches, lodges and other non-profit organizations not regularly engaged in the restaurant business.
3. Leasing or renting of real property for use primarily for religious worship to a non-profit organization that qualifies under §501(c)(3) of the United States Internal Revenue Code.

See, Circular 230 Disclosure at the top of page one of this Memorandum. This Disclosure is applicable to every page of this Memorandum. Also see the discussion at page two of this Memorandum regarding the taxation of unrelated business income for federal and state income tax purposes.

### Property Tax Exemption

If your Center owns real property, the property may be exempt from property taxes. Contact your County Assessor's office for additional information about property tax exemptions and the forms to file to properly claim the exemption.

See, Circular 230 Disclosure at the top of page one of this Memorandum. This Disclosure is applicable to every page of this Memorandum. Also see the discussion at page two of this Memorandum regarding the taxation of unrelated business income for federal and state income tax purposes.

## ARKANSAS

### Filing For The Arkansas Exemption From Taxation

If your Center is listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Arkansas Department of Finance and Administration (address provided below):

1. Copy of the Group Exemption Letter of Centers for Spiritual Living;
2. Correspondence from Centers for Spiritual Living stating that your Center is covered under the Group Exemption;
3. Copies of pages 1 and 2 of the Form 1023 Application for Recognition of Exemption of Centers for Spiritual Living; and
4. Cover letter from your Center with the following statement:

“Our church [insert name] is exempt from Corporate Income Tax under Arkansas Code Exemption (Arkansas Code Annotated 26-51-303)”.

If your Center is NOT listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Arkansas Department of Finance and Administration (address provided below):

1. A copy of your IRS Determination Letter;
2. Copy of pages 1 and 2 of the Form 1023 Application for Recognition of Centers for Spiritual Living; and
3. Cover letter containing the following statement:

“Our church [insert name] is exempt from Corporate Income Tax under Arkansas Code Exemption (Arkansas Code Annotated 26-51-303)”.

### Address:

Arkansas Dept. of Finance & Admin.  
Corporation Income Tax Section  
P.O. Box 919  
Little Rock, AR 72203-0919

### Sales and Use Tax

Arkansas does have a sales tax. Its state and local sales tax laws were also changed as of January 1, 2008 for purposes of compliance with the Streamlined Sales Tax Agreement among nineteen states. Sales by churches and other charitable organizations are generally exempt from the

Arkansas sales and use tax. Your Center should consult with local counsel if it has questions about the general exemption from sales and use tax.

#### Property Tax Exemption

If your Center owns real property, the property may be exempt from property taxes. Refer to the Assessor's Guide below and contact your County Assessor's office to ask about the filing requirements for an exemption from property taxes.

#### Arkansas Related Resources

Assessor's Guide (Arkansas State Government) <http://www.arkansas.gov/acd/pdfs/exemption-guidelines.pdf>

## CALIFORNIA

### Filing For The California Exemption From Income Taxation

If your Center is listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Franchise Tax Board (address provided below):

1. Form 3500A Submission of Exemption Request for your Center;
2. Include a copy of the Group Exemption Letter of Centers for Spiritual Living; and
3. Include correspondence from Centers for Spiritual Living on its letterhead stating that your Center is an affiliate of Centers for Spiritual Learning.

#### Address:

Exempt Organizations Unit, MS F120  
Franchise Tax Board  
P.O. Box 1286  
Rancho Cordova, CA 95741-1286

If your Center is NOT listed as a Member Community under the Group Exemption of Centers for Spiritual Living and has previously obtained an exemption from taxation the Franchise Tax Board, your Center is required to provide the following information to the Franchise Tax Board. No further action required.

#### Sales and Use Tax

In California, sales tax applies to the sale of tangible personal property unless the sale is covered by a specific legal exemption or exclusion. Although many nonprofit and religious organizations are exempt from federal and state income tax, there is no similar broad exemption from California sales and use tax. Generally, nonprofit and religious organizations are treated just like other California sellers and buyers for sales and use tax purposes. Therefore, it is important to consult with local counsel concerning the application of California sales and use tax law if you believe that your Center may be entitled to an exemption from sales or use tax in connection with a particular transaction.

#### Property Tax Exemption

If your Center owns real property or plans to acquire real property to be used for worship, review California Board of Equalization Publication 48 Property Tax Exemptions for Religious Organizations. Apply for the proper exemption from property taxes on an annual basis with the County Assessor's office. If your Center obtained a church exemption from the Franchise Tax Board (verify this by looking at the letter issued by the Franchise Tax Board), then your Center

should apply for the Church Exemption. Otherwise, your Center should file a Welfare Exemption to obtain an exemption from property taxes. Both forms are available through your County Assessor's office.

#### California Related Resources

- Tax Exemption Process in California:  
[http://www.ftb.ca.gov/businesses/bus\\_structures/The\\_Tax-Exemption\\_Process.shtml](http://www.ftb.ca.gov/businesses/bus_structures/The_Tax-Exemption_Process.shtml)
- Board of Equalization – Publication 48: Property Tax Exemptions for Religious Organizations: [www.boe.ca.gov/proptaxes/pdf/pub48.pdf](http://www.boe.ca.gov/proptaxes/pdf/pub48.pdf)
- Board of Equalization – Property Tax Welfare Exemption:  
<http://www.boe.ca.gov/pdf/pub149.pdf>

## COLORADO

### Filing For The Colorado Exemption From Income Taxation

The State of Colorado does not have an exemption application for nonprofit organizations that are exempt from federal income tax under IRC §501(c)(3) and desire to obtain tax-exempt status in Colorado. A copy of the letter from the Internal Revenue Service granting tax-exempt status to the organization under IRC §501(c)(3) is required in order for a nonprofit organization to obtain the Colorado sales tax exemption (additional information provided below).

### Sales Tax Exemption Filing

If your Center is listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Colorado Department of Revenue (address provided below):

1. DR 0715 Application for Sales Tax Exemption for Colorado Organizations;
2. Copy of the Articles of Incorporation for your Center;
3. Copy of a currently-issued Certificate of Good Standing for your Center (obtain from the Colorado Secretary of State);
4. Copy of a recent financial statement for your Center;
5. Copy of the Group Exemption Letter of Centers for Spiritual Living; and
6. Correspondence from Centers for Spiritual Living stating that your Center is covered under the Group Exemption.

If your Center is NOT listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Colorado Department of Revenue (address provided below):

1. DR 0715 Application for Sales Tax Exemption for Colorado Organizations;
2. Copy of the Articles of Incorporation for your Center;
3. Copy of a currently-issued Certificate of Good Standing for your Center (obtain from the Colorado Secretary of State)
4. Copy of a recent financial statement for your Center; and
5. Copy of the Center's letter from the Internal Revenue Service granting tax exempt status under IRC §501(c)(3).

### Address:

Colorado Department of Revenue  
1375 Sherman Street, Room 208  
Denver, CO 80261

### Property Tax Exemption

If your Center owns real property or plans to own real property, check with your County Assessor for property tax exemptions for a church and the forms to be filed to properly claim the exemption.

## CONNECTICUT

### Filing For The Connecticut Exemption From Corporate Taxation

Corporations that are exempt from federal taxation are exempt from taxation in Connecticut. As a result, your Center does not need to apply for an exemption from state income taxation in Connecticut.

### Sales and Use Tax Exemption

If your Center is listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Connecticut Department of Revenue Services (address provided below):

1. Cover letter from your Center stating that you are applying for an exemption from state income taxation based on the Group Exemption Letter of Centers for Spiritual Living;
2. Form REG-1 Business Taxes Registration Application;
3. Correspondence from Centers for Spiritual Living stating that your Center is covered under the Group Exemption; and
4. Copy of the Group Exemption Letter of Centers for Spiritual Living.

If your Center is NOT listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Connecticut Department of Revenue Services (address provided below):

1. Form REG-1 Business Taxes Registration Application; and
2. Copy of the correspondence from the Internal Revenue Service granting tax-exempt status to your Center under IRC §501(c)(3).

### Address:

Department of Revenue Services  
P.O. Box 2937  
Hartford, CT 06104-2937

### Property Tax Exemption

If your Center owns real property or plans to own real property, check with your Town Assessor regarding property tax exemptions for a Church and the requirements for properly claiming the exemption.

## **DELAWARE**

### Delaware Tax Exemption

If your Center is exempt from federal income taxation under IRC §501(c)(3), whether under the Group Exemption of Centers for Spiritual Living or by way of an independent exemption, there is no filing requirement in Delaware for your Center.

### Sales and Use Tax

There are no state or local sales taxes in Delaware and as such, sales tax exemption certificates and reseller certificates are not applicable to Delaware. Delaware imposes license and gross receipt taxes on the sale of most goods and services. These fees are imposed on the seller or service provider and may not be passed on to the consumer. Sales for resale are not exempt. There are a limited number of exemptions from these fees and taxes.

### Property Tax Exemption

If your Center owns real property or plans to own real property, check with your City Assessor for information about the existence of a property tax exemption for a church and the forms that are required to be filed to properly claim the exemption.

For Wilmington property tax exemption filing, you can find the form at the following link:  
[http://76.12.60.78/pdf/App\\_Affidavit\\_Property\\_Tax\\_Exemption.pdf](http://76.12.60.78/pdf/App_Affidavit_Property_Tax_Exemption.pdf)

## FLORIDA

### Filing For The Florida Exemption From Taxation

If your Center is listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Florida Department of Revenue (address provided below):

1. Correspondence from your Center explaining that the Center is requesting an exemption based on the Group Exemption of Centers for Spiritual Living;
2. Correspondence from Centers for Spiritual Living stating that your Center is included within the Group Exemption;
3. Form DR-5 Application for Consumer's Certificate of Exemption; and
4. Copy of the Group Exemption Letter of Centers for Spiritual Living.

If your Center is NOT listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Florida Department of Revenue (address provided below):

1. Form DR-5 Application for Consumer's Certificate of Exemption; and
2. A copy of the Center's letter from the Internal Revenue Service granting tax-exempt status under IRC §501(c)(3).

### Address:

Central Registration  
Florida Department of Revenue  
5050 W. Tennessee Street  
Building E  
Tallahassee, FL 32399-0100

### Sales and Use Tax

Qualified nonprofit organizations in Florida, including religious organizations, may apply for an exemption from sales tax. To request an exemption, submit an Application for Consumer's Certificate for Exemption (Form DR-5) for the Florida Department of Revenue. Send the DR-5 Application and documentation to:

Address

Account Management/Exemptions  
Florida Department of Revenue  
P.O. Box 6480  
Tallahassee, FL 32314-6480

Property Tax Exemption

If your Center owns real property or plans to own real property, check with your County Assessor for property tax exemptions for a church and the requirements for properly claiming the exemption.

## GEORGIA

### Filing For The Georgia Exemption From Income Taxation

If your Center is listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Georgia Department of Revenue (address provided below):

1. Cover letter from your Center requesting a state tax exemption based on the Group Exemption of Centers for Spiritual Living and stating the name and address of your individual Center;
2. Correspondence from Centers for Spiritual Living, stating that your Center is covered under the Group Exemption Letter;
3. A letter of incorporation and all Georgia corporate formation documents for your Center; and
4. A copy of the Group Exemption Letter of Centers for Spiritual Living.

Attach these items to your initial exempt organization federal return that is filed with the State of Georgia.

If your Center is NOT listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Georgia Department of Revenue (address provided below):

1. Cover letter from your Center requesting a state tax exemption based on your Center's federal exemption under IRC § 501(c)(3);
2. Copy of your Center's letter from the Internal Revenue Service granting an exemption from income taxation under IRC § 501(c)(3); and
3. Letter of incorporation and all Georgia corporate formation documents for your Center.

Attach these items to your initial exempt organization federal return that is filed with the State of Georgia.

### Georgia Sales Tax Exemption Filing

Churches are not exempt from sales tax in Georgia.

#### Address:

Georgia Department of Revenue  
P.O. Box 740395  
Atlanta, GA 30374-0395

### Property Tax Exemption

If your Center owns real property or plans to own real property, check with your County Assessor about property tax exemptions for a church and the forms that need to be filed to properly claim the exemption.

## HAWAII

### Filing For The Hawaii Exemption From Income Taxation

Hawaii does not impose corporate income tax on organizations that are exempt from taxation under IRC § 501(c)(3).

### Filing For The Hawaii Exemption From General Excise Tax and Use Tax

Hawaii does not have sales tax. Instead, it has General Excise Tax (GET) imposed on businesses. Organizations exempt under IRC § 501(c)(3) must file for exemption from GET. This process is outlined below.

If your Center is listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Hawaii Department of Taxation (address provided below):

1. Cover letter from your Center requesting a state tax exemption based on the Group Exemption of Centers for Spiritual Living and stating the name and address of your individual Center;
2. Correspondence from Centers for Spiritual Living, stating that your Center is covered under the Group Exemption Letter;
3. Form G6 Application For Exemption From General Excise Taxes;
4. Articles of Incorporation (including amendments) and Bylaws for your Center; and
5. A copy of the Group Exemption Letter of Centers for Spiritual Living.

If your Center is NOT listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Hawaii Department of Taxation (address provided below):

1. Cover letter from your Center requesting a state tax exemption based on your Center's federal exemption under IRC § 501(c)(3);
2. Copy of your Center's letter from the Internal Revenue Service granting an exemption from income taxation under IRC § 501(c)(3);
3. Form G6 Application For Exemption From General Excise Taxes; and
4. Articles of Incorporation (including amendments) and Bylaws for your Center.

### Address:

Hawaii Department of Taxation  
Technical Section  
P.O. Box 259  
Honolulu, HI 96809-0259

### Property Tax Exemption

If your Center owns real property, the property may be exempt from property taxes. Contact your County Assessor's office for additional information about property tax exemptions and the forms to file to properly claim the exemption.

## IDAHO

### State Income Tax Exemption Filing

Centers that are exempt from federal income taxation under IRC §501(c)(3) are automatically exempt from Idaho income tax. As long as your Center is exempt from federal taxation under IRC §501(c)(3), no further action is required.

### Sales and Use Tax

Most religious, charitable and nonprofit organizations are required to pay Idaho sales tax on goods they buy for their own use and to collect tax when selling goods. There are a limited number of exceptions to this rule, but churches and other religious organizations are not covered by the exceptions under current law. If your Center is making a significant purchase, you should consult with local counsel about the existence of an exemption from sales tax.

### Property Tax Exemption

If your Center owns real property or plans to own real property, check with your County Assessor for property tax exemptions for a church and the requirements to properly claim the exemption.

## ILLINOIS

### State Tax Exemption Filing

Centers that are exempt under IRC §501(c)(3) are also automatically exempt from taxation in Illinois. As long as your Center is exempt from federal income taxation under IRC §501(c)(3), there is no filing requirement in Illinois.

### Sales and Use Tax

Your Center may be eligible for a sales tax exemption under Illinois law. There is no application for this exemption. Your Center should submit its request for a sales tax exemption to the Illinois Department of Revenue. If eligible, the Department will issue your Center a sales tax exemption number. Your correspondence should be provided to the following address:

Local Government Services 3-520  
Illinois Department of Revenue  
101 West Jefferson Street  
Springfield, IL 62702

### Property Tax Exemption

If your Center owns real property or plans to own real property, check with your County Assessor regarding property tax exemptions for a church and the requirements for properly claiming the exemption.

## INDIANA

### Filing For The Indiana Exemption From Income Taxation

Indiana has no Corporate Income Tax. For exemption from sales tax, please see below.

### Filing For The Indiana Exemption From Sales Tax

If your Center is listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Indiana Department of Revenue (address provided below):

1. Cover letter from your Center requesting a state tax exemption based on the Group Exemption of Centers for Spiritual Living and stating the name and address of your individual Center;
2. Correspondence from Centers for Spiritual Living, stating that your Center is covered under the Group Exemption Letter;
3. Completed Form NP-20A, Nonprofit Application for Sales Tax Exemption; and
4. A copy of the Group Exemption Letter of Centers for Spiritual Living.

If your Center is NOT listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Indiana Department of Revenue (address provided below):

1. Cover letter from your Center requesting a state tax exemption based on your Center's federal exemption under IRC §501(c)(3);
2. Completed Form NP-20A, Nonprofit Application for Sales Tax Exemption; and
3. Copy of your Center's letter from the Internal Revenue Service granting an exemption from income taxation under IRC §501(c)(3).

### Address:

Indiana Department of Revenue  
Tax Administration/Support  
100 N. Senate Ave., Room N203 MS105  
Indianapolis, IN 46204

### Property Tax Exemption

If your Center owns real property, the property may be exempt from property taxes. Contact your County Assessor's office for additional information about property tax exemptions and the forms to file to properly claim the exemption.

## IOWA

### State Income and Sales Tax Exemption

Centers that are exempt from federal income taxation under IRC §501(c)(3) are automatically exempt from Iowa income tax. If your Center is exempt from taxation under IRC §501(c)(3), your Center is automatically exempt from Iowa income tax. No filing is required to claim an exemption from income taxation in Iowa.

### Sales Tax

Iowa has a sales tax. Taxable personal property or services purchased and used by churches and most other nonprofit organizations are subject to the tax. See, Iowa Tax Issues for Nonprofit Entities for additional information about entities that qualify for exemption.

### Property Tax Exemption

If your Center owns real property or plans to own real property, check with your County Assessor for property tax exemption filings for a church and the requirements for properly claiming the exemption.

### Iowa Related Resources

- Religious, Educational and Charitable Property Tax Exemption (Iowa Department of Revenue): <http://www.iowa.gov/tax/taxlaw/PropertyTaxCredits.html#Religious>

## KANSAS

### State Income Tax Exemption Filing

Centers that are exempt from federal income taxation under IRC §501(c)(3) are automatically exempt from Kansas income tax. If your Center is exempt from taxation under IRC §501(c)(3), your Center is automatically exempt from Kansas income tax. No filing is required to claim an exemption in Kansas.

### Sales Tax

Nonprofit religious organizations exempt from taxation under IRC §501(c)(3) are exempt from Kansas sales tax when making a direct purchase of goods. Your Center should obtain a Tax-Exempt Entity Exempt Certificate issued by the Kansas Department of Revenue for this purpose and the Exemption Certificate may be applied for on-line at the Department's web site. Publication KS-1520 Kansas Exemption Certificates has additional information about the sales tax exemption that may be useful to your Center. It is also appropriate to seek local counsel if your Center has questions about obtaining the Tax-Exempt entity Certificate.

### Property Tax Exemption

If your church owns real property or plans to own real property, check with your County Assessor for property tax exemption filings for a church and the requirements for properly claiming the exemption.

## KENTUCKY

### Registration in the State of Kentucky

Prior to filing for any exemptions from taxation in the State of Kentucky, your Center should register with the Kentucky Department of Revenue by filing Form 10A100-I Kentucky Tax Registration Application or Form 10A104 (to update or correct your account information).

### State Corporate Tax Exemption Filing

Centers that are exempt from federal income taxation under IRC §501(c)(3) are automatically exempt from Kentucky income tax. Therefore, if your Center is exempt from taxation under IRC §501(c)(3), the Center is automatically exempt from Kentucky income tax.

### State Sales Tax Exemption Filing

If your Center makes purchases of tangible items or services that are used for church purposes, then your Center may be able to obtain a sales tax exemption on these purchases as follows:

If your Center is listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Kentucky Department of Revenue (address provided below):

1. Cover letter stating that your Center is seeking an exemption based on the federal Group Exemption of Centers for Spiritual Living;
2. Kentucky Form 51A125 Application For Purchase Exemption Sales and Use Tax;
3. Copy of the Group Exemption Letter of Centers for Spiritual Living;
4. Correspondence from Centers for Spiritual Living stating that your Center is included in the Group Exemption; and
5. Copy of the Articles of Incorporation of your Center.

If your Center is NOT listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Kentucky Department of Revenue (address provided below):

1. Kentucky Form 51A125 Application For Purchase Exemption Sales and Use Tax; and
2. Copy of correspondence from the Internal Revenue Service granting tax-exempt status to your Center under IRC §501(c)(3).

### Address:

Division of Sales and Use Tax  
Department of Revenue

See, Circular 230 Disclosure at the top of page one of this Memorandum. This Disclosure is applicable to every page of this Memorandum. Also see the discussion at page two of this Memorandum regarding the taxation of unrelated business income for federal and state income tax purposes.

P.O. Box 1274  
Frankfort, KY 40602-1274

Property Tax Exemption

Property owned by a religious exempt organization and put to religious use is exempt from property taxation in Kentucky. If your Center owns real property or plans to own real property, check with your County Assessor about how to properly claim the property tax exemption.

See, Circular 230 Disclosure at the top of page one of this Memorandum. This Disclosure is applicable to every page of this Memorandum. Also see the discussion at page two of this Memorandum regarding the taxation of unrelated business income for federal and state income tax purposes.

## LOUISIANA

### Filing For The Louisiana Income and Franchise Tax Exemption Filing

If your Center is listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Louisiana Department of Revenue (address provided below):

1. Cover letter stating that your Center is seeking exemption from taxation based on the Group Exemption of Centers for Spiritual Living; and
2. Copy of the Group Exemption Letter of Centers for Spiritual Living.

If your Center is NOT listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Louisiana Department of Revenue (address provided below):

1. Cover letter from your Center requesting tax exempt status; and
2. Copy of your Center's letter from the Internal Revenue Service granting tax-exempt status under IRC §501(c)(3).

### Address:

Louisiana Department of Revenue  
P.O. Box 201  
Baton Rouge, LA 70821  
Information: (225) 219-0067

### Sales Tax

Sales to churches are subject to sales tax unless the sale is specifically exempted by state statute. It is important to consult with local counsel, if your Center is making a significant purchase in order to determine if the sale is exempted under Louisiana law at the time of the purchase. If your Center is exempt from taxation under IRC §501(c)(3), this exemption only applies to the federal income tax and does not apply to sales tax in Louisiana.

### Property Tax Exemption

If your Center owns real property or plans to own real property, check with your County Assessor regarding property tax exemptions for a church and the requirements to properly claim the exemption.

## MAINE

### Filing For The Maine Exemption From Corporate Taxation

As a general rule, every entity (including tax-exempt organizations) must file Form 1120 ME Maine Corporate Income Tax Return and pay the applicable Maine corporate income tax if the entity is required to file a federal corporate income tax return and the entity realizes Maine net income. **Since churches and other religious organizations are not required to file federal income tax returns, your Center is not required to file a Form 1120 ME.**

### Sales and Use Tax

In order to obtain an exemption from sales and use tax, all Centers are required to provide the following information to Maine Revenue Services (address provided below):

1. Sales, Fuel & Special Tax Division Exemption Application For A Regularly Organized Church (Main Revenue Services);
2. Copy of your Member Community Affiliation Agreement;
3. Copy of the Articles of Incorporation of your Center; and
4. Copy of the Bylaws of your Center.

### Address:

Maine Revenue Services  
24 State House Station  
Augusta, ME 04333

### Property Tax Exemption

Churches and church-owned buildings used for worship are not subject to property tax in the State of Maine. Therefore, if your Center owns real property or plans to own real property, check with your County Assessor regarding the property tax exemption for a church and the requirements for properly claiming the exemption.

## **MARYLAND**

### Filing For The Maryland Exemption From Taxation

Maryland does not have an independent exemption application. As long as your Center is exempt from federal income taxation under IRC §501(c)(3), the Center will also be treated as exempt from taxation under Maryland law.

### For State Sales Tax Exemption Filing

1. Form CRA Combined Registration Application;
2. Copy of the Articles of Incorporation for your Center;
3. Copy of the Bylaws for your Center;
4. Copy of the Group Exemption Letter of Centers for Spiritual Living or copy of the letter from the Internal Revenue Service granting tax-exempt status to your Center under IRC §501(c)(3).

### Address:

Comptroller of Maryland  
Central Registration  
Revenue Administration Center  
Annapolis, MD 21411-0001

### Property Tax Exemption

If your Center owns real property or plans to own real property, check with your County Assessor regarding property tax exemptions for a church and the requirements for properly claiming the exemption.

### Maryland Forms

- Combined Registration Application (Maryland Comptroller):  
[http://forms.marylandtaxes.com/current\\_forms/CRA.pdf](http://forms.marylandtaxes.com/current_forms/CRA.pdf)

## MASSACHUSETTS

### Filing For The Massachusetts Exemption From Income Tax and Sales and Use Tax Exemption

Corporations that are exempt from taxation under IRC §501(c)(3) qualify for exemption from the Massachusetts corporate excise tax (sales tax). Corporations that are exempt from paying the corporate excise tax are not required to file corporate excise returns.

To qualify for the exemption from corporate excise tax and sales and use tax, your Center is required to submit the following information to the Bureau of Desk Audit, Non-Profit Corporations Unit, 200 Arlington Street, Room 4300, Chelsea, MA 02150:

1. Form TA-1 Application for Original Registration;
2. Copy of correspondence from the Internal Revenue Service granting tax-exempt status to your Center under IRC §501(c)(3) or a copy of the Group Exemption Letter of Centers for Spiritual Living along with documentation showing that your Center is covered by the Group Exemption Letter; and
3. Copy of the employer identification number (“EIN”) for your Center if not provided on the above-described IRS letter.

### Property Tax Exemption

If your church owns real property or plans to own real property, check with your County Assessor for property tax exemption filings for a church and the requirements to properly claim the exemption.

## MICHIGAN

### Filing For The Michigan Exemption From Taxation

If your Center is exempt from federal income taxation under IRC §501(c)(3), whether under the Group Exemption of Centers for Spiritual Living or by way of an independent exemption, there is no filing requirement in Michigan for your Center.

### Sales and Use Tax Exemption

Sales to organized churches or houses of religious worship are exempt from sales tax in Michigan. These exempt sales may not involve property used in commercial enterprises, i.e., a church that may be running a commercial bakery. Additional information about this exemption is available at the Michigan Department of Treasury website: [www.michigan.gov/taxes](http://www.michigan.gov/taxes).

### Property Tax Exemption

If your Center owns real property or plans to own real property, check with your County Assessor regarding property tax exemptions for a church and the requirements for properly claiming the exemption.

## MINNESOTA

### Filing For The Minnesota Exemption From Taxation

If your Center is exempt from federal income taxation under IRC §501(c)(3), whether under the Group Exemption of Centers for Spiritual Living or by way of an independent exemption, there is no filing requirement in Minnesota for your Center.

### Sales Tax Exemption for Purchases Made by the Center

In order to apply for an exemption from sales taxes, the following information is required to be provided to Minnesota Revenue:

1. Form ST16 Application for Nonprofit Exempt Status - Sales Tax;
2. Copy of the Articles of Incorporation for your Center;
3. Copy of the Group Exemption Letter of Centers for Spiritual Living or copy of the letter provided to your Center from the Internal Revenue Service granting tax-exempt status; and
4. Documentation, such as a bulletin showing the Center's place of worship and time of worship services.

### Address:

Minnesota Revenue  
Mail Station 6330  
St. Paul, MN 55146-6330

### Property Tax Exemption

If your Center owns real property or plans to own real property, check with your County Assessor regarding property tax exemptions for a church and the requirements to properly claim the exemption.

### Minnesota Related Resources

- Minnesota Nonprofit Resources:  
<http://www.ag.state.mn.us/charities/Forms/NonProfitResources.pdf>

## MISSISSIPPI

### Filing For The Mississippi Exemption From Taxation

It is important for your Center to register with the Mississippi State Tax Commission by submitting a Mississippi Registration Application. The taxes covered by this Application include, but are not limited to, Mississippi sales tax, use tax, corporate income tax, and corporate franchise tax. The Application may be obtained online.

### Your Center needs to provide the following information to Mississippi in connection with its Registration Application, if not already registered:

1. Mississippi Registration Application;
2. Articles of Incorporation for your Center;
3. Bylaws for your Center; and
4. Copy of the Group Exemption Letter of Centers for Spiritual Living or copy of the letter provided to your Center by the Internal Revenue Service granting tax-exempt status.

### Sales and Use Tax

As a general rule, churches are subject to sales and use tax in Mississippi, with very narrow exceptions. These exceptions include orphanages operated by religious denominations, old men's or ladies' homes operated by religious denominations. If your Center believes that it is eligible for an exemption, it may write to the State Tax Commission and request an exemption. Additional information about the Mississippi sales tax is available on the Mississippi website at: [www.dor.ms.gov](http://www.dor.ms.gov).

### Property Tax Exemption

If your Center owns real property or plans to own real property, check with your County Assessor regarding property tax exemptions for a church and the requirements to properly claim the exemption.

## MISSOURI

### Filing For The Missouri Exemption From Taxation

If your Center is exempt from federal income taxation under IRC §501(c)(3), whether under the Group Exemption of Centers for Spiritual Living or by way of an independent exemption, there is no filing requirement in Missouri for your Center.

### State Sales Tax Exemption Filing

If your Center is exempt from federal income taxation under the Group Exemption Letter of Centers for Spiritual Living, the following materials are required to be provided to the Missouri Department of Revenue:

1. Form 1746 Missouri Sales/Use Tax Exemption Application;
2. Copy of the Group Exemption Letter of Centers for Spiritual Living or a copy of the correspondence provided to your Center by the Internal Revenue Service granting tax exempt status under IRC §501(c)(3);
3. Copy of the Articles of Incorporation of your Center;
4. Copy of the Bylaws of your Center;
5. Copy of financial information for your Center for the most recent three year period (or an estimated budget for 1 year, if newly established).

### Address:

Missouri Department of Revenue  
Taxation Division  
P.O. Box 358  
Jefferson City, MO 65105-0358

### Property Tax Exemption

If your Center owns real property or plans to own real property, check with your County Assessor regarding property tax exemptions for a church and the requirements for properly claiming the exemption.

## MONTANA

### Filing For The Montana Exemption From Taxation

In order to obtain tax-exempt status in Montana, your Center needs to provide the Montana Department of Revenue with the following documents and information:

1. Copy of your Center's Articles of Incorporation;
2. Copy of the Bylaws of your Center;
3. Copies of the latest financial statements of your Center;
4. Affidavit, on your Center's letterhead, describing the activities of the Center, and stating that none of the Center's income may inure to the benefit of any private shareholder or individual;
5. A certified copy (by the Secretary of your Center) of the Group Exemption Letter of Centers for Spiritual Living or a copy of the letter provided to your Center by the Internal Revenue Service granting tax-exempt status under IRC §501(c)(3).

### Address:

Department of Revenue  
P.O. Box 8021  
Helena, MT 59604

### Sales and Use Tax

The State of Montana has no general sales tax.

### Property Tax Exemption

If your Center owns real property or plans to own real property, check with your County Assessor regarding property tax exemptions for a church and the requirements for properly claiming the exemption.

## **NEBRASKA**

### Filing For The Nebraska Exemption From Income Taxation

If your Center is exempt from federal income taxation under IRC §501(c)(3), whether under the Group Exemption of Centers for Spiritual Living or by way of an independent exemption, there is no filing requirement to obtain an exemption from income taxation in Nebraska for your Center.

### Sales and Use Tax

Organizations that are created exclusively for religious purposes are exempt from the payment of sales and use tax in Nebraska. In order to obtain an exemption from the Nebraska sales and use tax, your Center is required to obtain a Nebraska Exempt Organization - Certificate of Exemption. This Certificate may be obtained by filing Form 4 Nebraska Exemption Application for Sales and Use Tax and sending the completed form to the following address:

Nebraska Department of Revenue  
P.O. Box 98903  
Lincoln, NE 68509-8903

### Property Tax Exemption

If your Center owns real property or plans to own real property, check with your County Assessor for property tax exemption filings for a church and the requirements for properly claiming the exemption.

## NEVADA

### Filing For The Nevada Exemption From Income Taxation

Nevada does not have a corporate income tax. As a result, there are no filing requirements for your Center.

### State Sales and Use Tax Exemption Filing

Religious organizations are exempt from the Nevada sales and use tax. In order to apply for the exemption, your Center is required to file an Application for Sales/Use Tax Exemption for Religious/Charitable/Educational Organizations and provide the Nevada Department of Taxation with the following information:

1. Application For Sales/Use Tax Exemption;
2. Articles of Incorporation for your Center;
3. Bylaws for your Center;
4. Current Financial Statements (12 month period);
5. Copy of the Group Exemption Letter of Centers for Spiritual Living or a copy of the letter provided to your Center by the Internal Revenue Service granting tax-exempt status under IRC §501(c)(3).

### Address:

Nevada Department of Taxation  
1550 E. College Parkway #115  
Carson City, NV 89706-7921  
Information: (775) 684-2000

### Property Tax Exemption

If your Center owns real property or plans to own real property, check with your County Assessor for property tax exemptions for a church and the requirements for properly claiming the exemption.

## **NEW HAMPSHIRE**

### Filing For The New Hampshire Exemption From Taxation (Business Enterprise Tax)

If your Center is exempt from federal income taxation under IRC §501(c)(3), whether under the Group Exemption of Centers for Spiritual Living or by way of an independent exemption, there is no filing requirement in New Hampshire for your Center.

### Sales and Use Tax

The State of New Hampshire does not have a general sales and use tax. As a result, it does not issue Certificates for Resale or Tax Exemptions, nor does it issue tax-exempt numbers.

### Property Tax Exemption

If your Center owns real property or plans to own real property, check with your County Assessor for property tax exemptions for a church and the requirements for properly claiming the exemption.

## NEW JERSEY

### Filing For The New Jersey Exemption From Income Tax

All Centers in the State of New Jersey are required to provide the following information to the Regulatory Services Branch of the New Jersey Division of Taxation (address provided below):

1. Copy of the Articles of Incorporation of your Center;
2. Copy of the Bylaws of your Center;
3. An Affidavit, signed by an officer of the Center, stating that the corporation is:
  - a. A nonprofit corporation that is not operated to make a profit;
  - b. Organized without capital stock;
  - c. Incorporated under the provisions of Titles 15, 15A, 16, or 17 of the Revised Statutes of New Jersey or under the laws of another state; and
  - d. Not conducted for the pecuniary profit or benefit of any private shareholder or individual.

#### Address:

Regulatory Services Branch  
New Jersey Division of Taxation  
P.O. Box 269  
Trenton, NJ 08695

### New Jersey Sales and Use Tax Exemption Filing

If your Center is listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the New Jersey Division of Taxation (address provided below):

1. Form REG-1E Application for ST-5 Exempt Organization Certificate;
2. Copy of the Articles of Incorporation of the Center;
3. Copy of the Bylaws of the Center;
4. Copy of the Group Exemption Letter of Centers for Spiritual Living;
5. Correspondence from the Internal Revenue Service granting tax-exempt status to the Center under IRC §501(c)(3); and
6. Correspondence from Centers for Spiritual Living stating that the Center is included in the Group Exemption.

If your Center has its own letter from the Internal Revenue Service Granting tax-exempt status under IRC §501(c)(3), provide the following information to New Jersey Division of Taxation (address provided below):

1. Form REG-1E Application for ST-5 Exempt Organization Certificate;
2. Copy of the Articles of Incorporation of the Center;
3. Copy of the Bylaws of the Center; and
4. Correspondence from the Internal Revenue Service granting tax-exempt status to the Center under IRC §501(c)(3).

Address:

New Jersey Division of Taxation  
Regulatory Services Branch  
P.O. Box 269  
Trenton, NJ 08695-0269

New Jersey Property Tax Exemption

If your Center owns real property or plans to own real property, check with your County Assessor regarding property tax exemptions for a church and the requirements to properly claim the exemption.

## NEW MEXICO

### Filing For The New Mexico Exemption From Income Taxation

If your Center is exempt from federal income taxation under IRC §501(c)(3), whether under the Group Exemption of Centers for Spiritual Living or by way of an independent exemption, there is no filing requirement in New Mexico for your Center.

### Exemption From The New Mexico Gross Receipts Tax

The State of New Mexico does not have a sales tax, but it does impose a tax known as the Gross Receipts Tax. Receipts of organizations, such as Member Communities of Centers for Spiritual Living, that are exempt from taxation under IRC §501(c)(3) are exempt from the New Mexico gross receipts tax. In order to obtain nontaxable transaction certificates, your Center should register with the New Mexico Taxation and Revenue Department, complete the Application for Nontaxable Transaction Certificates and be in compliance with the Department.

The Application for Nontaxable Transaction Certificates is available online and should be sent to the following address:

Taxation and Revenue Department  
P.O. Box 5557  
Santa Fe, NM 87502-5374

### Property Tax Exemption

If your Center owns real property or plans to own real property, check with your County Assessor for property tax exemptions for a church and the requirements to properly claim the exemption.

## NEW YORK

### Filing For The New York Exemption From Corporate Taxation

- A. If your Center is listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the New York State Department of Taxation and Finance in order to obtain an exemption from state income taxation (address provided below):
1. Form CT-247 Application for Exemption from Corporation Franchise Taxes by a Not-For-Profit Organization;
  2. Copy of the Group Exemption Letter of Centers for Spiritual Living;
  3. Copy of the Articles of Incorporation of your Center; and
  4. Copy of the Bylaws of your Center.
- B. If your Center has received its own letter from the Internal Revenue Service granting tax-exempt status under IRC §501(c)(3) and has previously obtained a New York exemption from taxation, there are no further filing requirements for your Center.
- C. If your Center has received its own letter from the Internal Revenue Service granting tax-exempt status under IRC §501(c)(3) and has not applied for a New York exemption, your Center is required to provide the following information to the New York State Department of Taxation and Finance in order to obtain an exemption from state income tax (address provided below):
1. Form CT-247 Application for Exemption from Corporation Franchise Taxes by a Not-For-Profit Organization;
  2. Copy of the letter provided to your Center granting tax-exempt status to your Center under IRC §501(c)(3);
  3. Copy of the Articles of Incorporation of your Center; and
  4. Copy of the Bylaws of your Center.

### Address for filing CT-247 Application for Exemption

NYS Tax Department  
Corporation Tax  
WA Harriman Campus  
Albany, NY 12227

### Sales Tax Exemption Filing

Organizations exempt from taxation are entitled to claim tax-exempt status for sales tax purposes. To apply for this status your Center needs to provide the following information to the New York State Department of Taxation and Finance:

1. Form ST-119.2 Application for an Exempt Organization Certificate;
2. Copy of the Group Exemption Letter of Centers for Spiritual Living, if applicable;
3. Correspondence from the Centers for Spiritual Living, with the following representations and materials:
  - (a) The correspondence should state that the Center is, in fact, a member of the Centers for Spiritual Living;
  - (b) The correspondence should also state that your Center is included in the Group Exemption as a subordinate organization of Centers for Spiritual Living;
  - (c) The Correspondence should also include a list of the subordinates of Center for Spiritual Living showing that your Center is included in the Group Exemption.
4. If your Center has an independent exemption from federal taxation under IRC §501(c)(3) and does not participate in the Group Exemption, provide a copy of the Internal Revenue Service letter granting tax-exempt status to your Center instead of the information described in 2 and 3 above.

Your Center may be entitled to sales tax refunds. Consult with local counsel or the accountant for your Center to determine if your Center is entitle to sales tax returns and information about how to apply for such refunds, if appropriate.

Address for filing Form ST-119.2 Application:

Taxpayer Assistance - Exempt Organizations  
NYS Tax Department  
WA Harriman Campus  
Albany, NY 12227-0125

Property Tax Exemption

If your Center owns real property, it can file for a property tax exemption. These exemptions vary by county so check with your local county assessor for specific guidelines on filing the RP-420 Application for Real Property Tax Exemption For Nonprofit Organizations.

You can find the RP-420 form at the following link:

[http://www.orps.state.ny.us/ref/forms/pdf\\_fillin/rp420ab1\\_fillin.pdf](http://www.orps.state.ny.us/ref/forms/pdf_fillin/rp420ab1_fillin.pdf)

New York Related Resources

- The Nonprofit Coordinating Committee of New York:  
<http://www.npccny.org/checklist.htm>

See, Circular 230 Disclosure at the top of page one of this Memorandum. This Disclosure is applicable to every page of this Memorandum. Also see the discussion at page two of this Memorandum regarding the taxation of unrelated business income for federal and state income tax purposes.

## NORTH CAROLINA

### North Carolina Income Tax Exemption

Organizations that are exempt from federal income tax are exempt from corporate income tax in North Carolina, with the exception of income that is defined as unrelated business income defined in IRC §512. North Carolina does not have an exemption application. In order to obtain an exemption, an organization must be issued a letter of tax exemption. Therefore, your Center should write to the Department of Revenue requesting an exemption from income taxation (or confirming your exemption) as follows:

Department of Revenue  
P.O. Box 25000  
Raleigh, NC 27640  
Information: (877) 252-3052  
Website: [www.dornc.com](http://www.dornc.com)

### Sales Tax

North Carolina does not provide an exemption from sales and use tax for nonprofit organizations. As a result, all nonprofit organizations are required to pay sales and use taxes on their purchases. Twice a year, eligible nonprofit organizations may apply to the Department of Revenue for a reimbursement of sales taxes paid. Churches are eligible for the sales tax refund. Your Center should consult with local counsel or its accountant to claim its sales tax refund(s), if it is not already doing so.

Information about exempt sales by nonprofit organizations, including churches and religious organizations, is available at the North Carolina Department of Revenue website and in Bulletin No. 17.

### Property Tax Exemption

If your Center owns real property or plans to own real property, check with your County Assessor for property tax exemption filings for a church and the requirements to properly claim the exemption.

## **NORTH DAKOTA**

### Filing For The North Dakota Exemption From Taxation

If your Center is exempt from federal income taxation under IRC §501(c)(3), whether under the Group Exemption of Centers for Spiritual Living or by way of an independent exemption, there is no filing requirement in North Dakota for your Center.

### Sales Tax

Churches are not exempt from sales tax.

### Property Tax Exemption

If your Center owns real property or plans to own real property, check with your County Assessor for property tax exemptions for a church and the requirements to properly claim the exemption.

## OHIO

### Filing For The Ohio Exemption From Taxation

Nonprofit organizations are exempt from the Ohio corporation franchise tax.

### Sales Tax

Centers that are exempt from federal income taxation under IRC §501(c)(3) are generally exempt from Ohio sales taxes. Organizations exempt from sales and use tax are required to provide Form STEC-B Sales and Use Tax Blanket Exemption Certificates to vendors. Your Center should consult with local counsel regarding Ohio sales and use tax to confirm the availability of the exemption for certain types of events. For example, sales by churches and nonprofit organizations (with minor exceptions) are exempt from sales tax, not exceeding six days in any calendar year. Additional information is also available from the Tax Commissioner's office at the following address:

Tax Commissioner's Office  
30 East Broad Street  
22nd Floor  
Columbus, OH 43215  
Information: (888) 405-4039

### Personal Property Tax

Ohio imposes a tax on personal property if the listed value of the property is more than the \$10,000 exemption amount. Non-profit organizations, including churches, may be subject to this tax. For example, a church bookstore that sells religious books is considered to be in direct competition with all other for-profit bookstores for purposes of the tax on personal property. Consult with local counsel to determine whether the personal property of your Center is subject to this tax and the exemptions available under Ohio Revised Code 5709.

### Property Tax Exemption

If your Center owns real property or plans to own real property, check with your County Assessor for property tax exemptions for a church and the requirements for properly claiming the exemption.

## OKLAHOMA

### Filing For The Oklahoma Exemption From Taxation

As a general rule, if your Center is exempt from federal income tax under IRC §501(c)(3), it is also exempt from Oklahoma income taxation. Your Center is also required to register with the Oklahoma Tax Commission, if it has not already done so, at the following address:

Oklahoma Tax Commission  
Taxpayer Assistance Division  
P.O. Box 26920  
Oklahoma City, OK 73126-0920  
Information: (405) 521-3160  
Website: [www.tax.ok.gov](http://www.tax.ok.gov)

If your Center will be obtaining tax-exempt status under the Group Exemption Letter of Centers for Spiritual Living, it should contact the Oklahoma Tax Commission and discuss the need to re-register with the Commission due to the existence of the new parent church organization.

### Sales Tax Exemption

Each Center may apply for an exemption from sale tax by submitting Form 13-16-A Application for Sales Tax Exemption along with the required materials as to the following address:

Oklahoma Tax Commission  
2501 Lincoln Blvd.  
Oklahoma City, OK 73194  
Information: (405) 521-3160

### Property Tax Exemption

If your Center owns real property or plans to own real property, check with your County Assessor for property tax exemptions for a church and the requirements to properly claim the exemption.

## OREGON

### Corporate Income and Excise Tax

If your Center is exempt from federal income taxation under IRC §501(c)(3), whether under the Group Exemption of Centers for Spiritual Living or by way of an independent exemption, there is no filing requirement in Oregon for your Center.

### Mass Transit District Payroll/Excise Tax and Exemptions

Oregon has a program administered by the Oregon Department of Revenue for the Tri-County Metropolitan Transportation District (TriMet) and the Land County Mass Transit District (LTD). Organizations described in IRC §501(c)(3) may obtain an exemption from these taxes transit taxes, which are imposed directly on the employer. To obtain the exemption, your Center is required to send a copy of the letter provided to your Center by the Internal Revenue Service granting tax-exempt status under IRC §501(c)(3) or a copy of the Group Exemption Letter of Centers for Spiritual Living to the Oregon Department of Revenue at the following address:

Business Division  
Oregon Department of Revenue  
P.O. Box 14800  
Salem, OR 97309-0920

### Property Tax Exemption

If your Center owns real property or plans to own real property, check with your County Assessor for property tax exemptions for a church and the requirements for claiming the exemption.

### Oregon Related Resources

- Statutes and Rules Governing Oregon Nonprofits (Oregon Department of Justice):  
<http://www.doj.state.or.us/charigroup/howtolaw.shtml>
- List of County Assessors (Oregon Department of Revenue):  
<http://www.oregon.gov/DOR/PTD/County.shtml>

## PENNSYLVANIA

### State Tax Exemption Filing and Registration

If your Center is exempt from federal income taxation under IRC §501(c)(3), it is also exempt from Pennsylvania income/corporate tax. Additional information about state taxation and exemptions for not-for-profit organizations is available at the State of Pennsylvania website: [www.portal.state.pa.us](http://www.portal.state.pa.us)

### Sales Tax

If your Center is listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Pennsylvania Department of Revenue (address provided below):

1. Form REV-72 Application for Sales Tax Exemption;
2. Copy of the Group Exemption Letter of Centers for Spiritual Living;
3. Articles of Incorporation for your Center;
4. Bylaws for your Center;
5. Current financial statement (or budget) for your Center;
6. Correspondence from Centers for Spiritual Living stating that your Center is covered under the Group Exemption; and
7. Copy of the most recently filed Form 990 Return of Organization Exempt From Tax for your Center, if such tax returns are filed.

If your Center is NOT listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Pennsylvania Department of Revenue (address provided below):

1. Form REV-72 Application for Sales Tax Exemption;
2. Copy of the letter from the Internal Revenue Service to your Center granting tax-exempt status under IRC §501(c)(3);
3. Articles of Incorporation for your Center;
4. Bylaws for your Center;
5. Current financial statement (or budget) for your Center;
6. Copy of the most recently filed Form 990 Return of Organization Exempt From Tax for your Center, if such tax returns are filed.

### Address:

Department of Revenue  
Bureau of Business Trust Fund Taxes

Dept. 280909  
Harrisburg, PA 17128-0909

Property Tax Exemption

If your Center owns real property, then contact your County Assessor's office to see whether your property is exempt from property tax and if so, the applicable forms to properly claim the exemption.

See, Circular 230 Disclosure at the top of page one of this Memorandum. This Disclosure is applicable to every page of this Memorandum. Also see the discussion at page two of this Memorandum regarding the taxation of unrelated business income for federal and state income tax purposes.

## **RHODE ISLAND**

### Filing For The Rhode Island Exemption From Taxation

If your Center is exempt from federal income taxation under IRC §501(c)(3), whether under the Group Exemption of Centers for Spiritual Living or by way of an independent exemption, there is no filing requirement in Rhode Island for your Center.

### Sales & Use Tax Exemption Filing

If your Center is listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Rhode Island Division of Taxation (address provided below):

1. Form S/U Tax Exemption;
2. Copy of the Articles of Incorporation for your Center;
3. Copy of the Bylaws for your Center;
4. Correspondence from Centers for Spiritual Living stating that your Center is covered under the Group Exemption;
5. Copy of the Group Exemption Letter issue by the Internal Revenue Service to Centers for Spiritual Living.

If your Center is NOT listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Rhode Island Division of Taxation (address provided below):

1. Form "S/U Tax Exemption";
2. Copy of the Articles of Incorporation for your Center;
3. Copy of the Bylaws for your Center;
4. Copy of the letter from the Internal Revenue Service granting tax-exempt status under IRC §501(c)(3) to your Center.

### Address:

Rhode Island Division of Taxation  
One Capitol Hill  
Providence, RI 02908

### Property Tax Exemption

If your Center owns real property, contact your County Assessor's office for information about property tax exemptions for churches and how to properly claim the exemption.

## SOUTH CAROLINA

### State Income Tax Exemption Filing

If your Center is listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the South Carolina Department of Revenue (address provided below):

1. Correspondence from your Center requesting an exemption from South Carolina taxation based on the Group Exemption of Centers for Spiritual Living;
2. Correspondence from the Centers for Spiritual Living stating that your Center is covered under the Group Exemption; and
3. Copy of the Group Exemption Letter of Centers for Spiritual Living granting tax-exempt status under IRC §501(c)(3).

If your Center is NOT listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the South Carolina Department of Revenue (address provided below):

1. Correspondence from your Center requesting exemption from South Carolina taxation based on your exemption from taxation under IRC §501(c)(3).
2. Copy of the letter from the Internal Revenue Service granting tax-exempt status under IRC §501(c)(3) to your Center.

### Address:

Department of Revenue  
Corporation Return  
Columbia, SC 29214-0100

### Sales and Use Tax Exemption

The sales and use tax exemption applies only to sales or purchases for resale by eligible nonprofit organizations. The purchase of items for use by the nonprofit organization (such as furniture, equipment, supplies etc.) are not tax-exempt. The following information is required to be provided to the SC Department of Revenue to claim an exemption:

1. Form ST-387 Application for Sales Tax Exemption;
2. IRS 501(c)(3) determination letter (or the group letter, if your church falls under the Group Exemption);
3. Bylaws;
4. Your Center's most recent income statement and balance sheet.

Address for the sales and use tax exemption:

SC Department of Revenue  
License and Registration  
Columbia, SC 29214-0140

Property Tax Exemption

If your Center owns real property, contact your County Assessor's office to determine whether the property is eligible for an exemption from property tax and the appropriate forms to file to properly claim the exemption.

## **SOUTH DAKOTA**

### State Tax Exemption Filing

There is no corporate income tax in South Dakota. Therefore, there are no filing requirements for your Center.

### Sales Tax

There is a sales tax, but churches are not exempt.

### Property Tax Exemption

If your Center owns real property, contact your County Assessor's office to determine whether there is an exemption available for your property and the forms to properly claim the exemption.

## TENNESSEE

### Filing For The Tennessee Exemption From Taxation

Organizations that are exempt from taxation under IRC §501(c)(3) are generally exempt from income taxation in Tennessee.

### Sales & Use Tax Exemption Filing

If your Center is listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Tennessee Department of Revenue (address provided below):

1. Application for Registration with the Department of Revenue: This form can be found at: <http://www.tn.gov/revenue/forms/general/f1306901.pdf>
2. Copy of your Member Community Affiliation Agreement with Centers for Spiritual Living; and
3. Copy of the Group Exemption Letter of Centers for Spiritual Living.

If your Center is NOT listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Tennessee Department of Revenue (address provided below):

1. Application for Registration with the Department of Revenue: This form can be found at: <http://www.tn.gov/revenue/forms/general/f1306901.pdf>
2. Copy of your Member Community Affiliation Agreement with Centers for Spiritual Living; and
3. Copy of the letter provided to your Center granting tax-exempt status under IRC §501(c)(3).

Address:

Tennessee Department of Revenue  
Taxpayer and Vehicle Services Division  
Andrew Jackson Office Building  
500 Deaderick Street  
Nashville, TN 37242

### Property Tax Exemption

Tennessee property tax exemption forms are not available online and can be obtained from your County Assessor's office. If your Centers owns or plans to purchase any real estate, contact

your County Assessor's office to determine the exemption applicable to the property owned by your Center and the forms to properly claim the exemption.

Tennessee Related Resources

Charitable and Related Property Tax Exemptions (Tennessee Comptroller):

<http://www.comptroller1.state.tn.us/sboe/sbexempt.asp>

See, Circular 230 Disclosure at the top of page one of this Memorandum. This Disclosure is applicable to every page of this Memorandum. Also see the discussion at page two of this Memorandum regarding the taxation of unrelated business income for federal and state income tax purposes.

## TEXAS

### State Sales and Franchise Tax Exemption Filing

If your Center is listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Texas Department of Revenue (address provided below):

1. Complete form AP-209 Texas Application for Exemption - Religious Organization and check "Option A" on page 2;
2. Correspondence from Centers for Spiritual Living stating that your Center is a recognized member of Centers for Spiritual Living;
3. Enclose a copy of the Group Exemption Letter of Centers for Spiritual Living.

If your Center is NOT listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Texas Department of Revenue (address provided below):

If your Center has not previously filed for state tax exemption, your Center will need to file Form AP-209 Texas Application for Exemption - Religious Organization and check "Option B" on page 2 of the form. Follow the instructions under "Option B" to submit all the necessary attachments.

### Address for filing the State Sales and Franchise Tax Exemption

Comptroller of Public Accounts  
Exempt Organizations Section  
P.O. Box 13528  
Austin, TX 78711-3528

### Property Tax Exemption

If your Center has purchased real property, the Center should file Form 50-117 Application for Religious Organization Property Tax Exemption. This form can be found at the following link: <http://www.window.state.tx.us/taxinfo/taxforms/50-117.pdf>

### Texas Related Resources

Texas Exempt Organizations (Texas Comptroller):  
<http://www.window.state.tx.us/taxinfo/exempt/>

## UTAH

### Filing For The Utah Exemption From Taxation

Nonprofit organizations are taxable in the State of Utah unless an exemption has been issued by the Utah State Tax Commission. In order to obtain an exemption from Utah tax, your Center is required to provide the following forms and information to the Tax Commission (address provided below):

1. TC-161 Utah Registration for Exemption from Corporate Franchise or Income Tax;
2. Copy of the Group Exemption Letter of Centers for Spiritual Living or copy of the letter provided to your Center from the Internal Revenue Service granting tax-exempt status under IRC 501(c)(3); and
3. If your Center is included in the Group Exemption Letter of Centers for Spiritual Living, correspondence from Centers for Spiritual Living certifying that your Center is an authorized member of the affiliated group.

#### Address:

Technical Research Unit  
Utah State Tax Commission  
210 N 1950 W  
Salt Lake City, UT 84134

### Tax Sales Tax Exemption Filing

Your Center must obtain an “N” number (sales tax exemption number) from the Utah State Tax Commission in order to obtain an exemption from sales tax. To obtain the exemption, your Center should provide the information described below to the Utah State Tax Commission (address provided below):

1. TC-160 Application for Sales Tax Exemption Number for Religious or Charitable Institutions;
2. Copy of the Group Exemption of Centers for Spiritual Living or copy of the letter issued to your Center by the Internal Revenue Service granting tax-exempt status under IRC §501(c)(3).

#### Address:

Religious and Charitable Section  
Utah State Tax Commission  
210 N 1950 W  
Salt Lake City, UT 84134

### General Rules

- Purchases of \$1,000 or more (or purchases made pursuant to a contract between the vendor and the charitable organization) are exempt from sales tax at the point of purchase. To claim exemption, the organization must supply the vendor with a completed Form TC-721.
- Purchases under \$1,000 qualify for sales tax exemption in the form of a refund from the Tax Commission. Organizations may file for a refund using Form TC-71N. This may be done as often as once every month.

### Property Tax Exemption

If your Center owns real property, contact your County Assessor's office to determine whether the property is exempt from property tax and if so, the forms to properly claim the exemption.

## VERMONT

### Filing For The Vermont Exemption From Corporate Income Tax

If your Center is exempt from federal income taxation under IRC §501(c)(3), whether under the Group Exemption of Centers for Spiritual Living or by way of an independent exemption, there is no filing requirement in Vermont for your Center.

### State Sales and Use Tax Exemption Filing

If your Center is listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Vermont Department of Taxes (address provided below):

1. Submit Form S-1 Application for Business Tax Account;
2. Correspondence from Centers for Spiritual Living stating that your Center is covered under the Group Exemption Letter; and
3. Copy of the Group Exemption Letter of Centers for Spiritual Living.

If your Center is NOT listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Vermont Department of Taxes (address provided below):

1. Submit Form S-1 Application for Business Tax Account; and
2. Copy of the letter from the Internal Revenue Service granting tax-exempt status under IRC §501(c)(3) to your Center.

### Address:

Vermont Department of Taxes  
Department of Revenue  
P.O. Box 547  
Montpelier, VT 05601-0547

### Property Tax Exemption

If your Center owns real property, contact your County Assessor's office to determine whether the real property is exempt from taxation and the forms to file to properly claim the exemption.

## VIRGINIA

### State Income Tax Exemption Filing

If your Center is exempt from federal income taxation under IRC §501(c)(3), whether under the Group Exemption of Centers for Spiritual Living or by way of an independent exemption, there is no filing requirement in Virginia for your Center.

### Sales Tax Exemption

Your Center can register online to obtain a Tax Exempt Number with the Virginia Department of Taxation at: <https://www.npo.tax.virginia.gov>

### Property Tax Exemption

If your Center owns real property, contact your County Assessor's office to determine whether the property is exempt from taxation and the forms to be filed to properly claim the exemption.

## WASHINGTON

### Filing For The Washington Exemption From Taxation

Although there is no income tax in Washington, nonprofit organizations, including churches and other religious organizations, are required to pay Business and Occupation Tax and must register with the Department of Revenue to obtain a Unified Business Identifier (“UBI”).

Contact the Washington Department of Revenue and obtain a Master Application (if your Center has not already done so) at the following address:

Master License Service  
P.O. Box 9048  
Olympia, WA 98507-9048  
Information: (360) 664-1400  
Fax: (360) 570-7875  
Website: [www.dol.wa.gov](http://www.dol.wa.gov)

### Property Tax Exemption

If your Center owns real property, contact your County Assessor’s office to determine whether the property is exempt from property tax and the forms to file to properly claim the exemption.

### Other Information

The Nonprofit Brochure, published by the Washington State Department of Revenue, may be useful to your Center. This brochure may be located found at the following address:  
<http://dor.wa.gov/Docs/Pubs/IndustSpecific/NonProfit.pdf>

## WEST VIRGINIA

### State Tax Registration

Registration must be renewed once every 2 years on or before July 1<sup>st</sup>.

If your Center is listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the West Virginia State Tax Department (address provided below):

Application for Registration Certificate (Form WV/BUS-APP);  
Copy of the Group Exemption Letter of Centers for Spiritual Living.

If your Center is NOT listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the West Virginia State Tax Department (address provided below):

1. Application for Registration Certificate (Form WV/BUS-APP);
2. Copy of the letter provided to your Center by the Internal Revenue Service granting tax-exempt status under IRC §501(c)(3).

### Address:

West Virginia State Tax Department  
Taxpayer Services Division  
P.O. Box 3784  
Charleston, WV 25337-3784

### Property Tax Exemption

If your Center owns real property, contact your County Assessor's office to determine if the property is exempt from property tax and the forms that need to be filed to properly claim the exemption.

## WISCONSIN

### Filing For The Wisconsin Exemption From Taxation

As a general rule, organizations exempt from taxation under IRC §501(c)(3) are also exempt from Wisconsin income taxation. Therefore, your Center is not required to file a Wisconsin franchise or income tax return.

### State Sales Tax Exemption

Your Center is required to obtain a Certificate of Exempt Status (“CES”) number.

If your Center is listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Wisconsin Department of Revenue (address provided below):

1. Form S-103 Certificate of Exempt Status (CES);
2. Copy of the Group Exemption Letter of Centers for Spiritual Living;
3. Copy of the Articles of Incorporation of your Center;
4. Copy of the Bylaws of your Center, and
5. Statement of income and expenses for your Center’s most recent accounting period.

If your Center is NOT listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Wisconsin Department of Revenue (address provided below):

1. Form S-103 Certificate of Exempt Status (CES);
2. Copy of the letter provided to your Center by the Internal Revenue Service granting tax-exempt status under IRC §501(c)(3);
3. Copy of Articles of Incorporation of your Center;
4. Copy of Bylaws of your Center; and
5. Statement of income and expenses for your Center’s most recent accounting period.

### Address:

Wisconsin Department of Revenue  
P.O. Box 8902  
Madison, WI 53708-8902

### Property Tax Exemption

If your church owns real property, contact your County Assessor's office to determine whether your property is exempt from property tax and the forms that need to be filed to properly claim the exemption.

See, Circular 230 Disclosure at the top of page one of this Memorandum. This Disclosure is applicable to every page of this Memorandum. Also see the discussion at page two of this Memorandum regarding the taxation of unrelated business income for federal and state income tax purposes.

## WYOMING

### State Income Tax Exemption Filing

There is no corporate income tax in Wyoming. Therefore, there are no filing requirements for your Center.

### State Sales Tax Exemption Filing

Nonprofit organizations do not pay sales tax on purchases of tangible personal property.

Nonprofit organizations do not collect tax on “occasional” sales, i.e. single events occurring four or fewer times in a calendar year.

If your Center is listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Wyoming Department of Revenue in order to apply for the exemption from sales tax:

1. Cover letter from your Center stating that the Center is applying for an exemption from sales tax under the Group Exemption Letter of Centers for Spiritual Living;
2. Copy of the IRS Determination Letter for the Group Exemption of Centers for Spiritual Living.

If your Center is NOT listed as a Member Community under the Group Exemption of Centers for Spiritual Living, your Center is required to provide the following information to the Wyoming State Tax Department (address provided below):

1. Cover letter from your Center stating that the Center is applying for an exemption from sales tax because it is a nonprofit organization exempt from taxation under IRC §501(c)(3); and
2. Copy of the letter from the Internal Revenue Service granting tax-exempt status under IRC §501(c)(3) to your Center.

### Address:

Wyoming Department of Revenue  
Excise Tax Division  
122 West 25th Street, 2-West  
Cheyenne, WY 82002-0110

See, Circular 230 Disclosure at the top of page one of this Memorandum. This Disclosure is applicable to every page of this Memorandum. Also see the discussion at page two of this Memorandum regarding the taxation of unrelated business income for federal and state income tax purposes.

### Property Tax Exemption

If your Center owns real property, contact your County Assessor's office to determine whether the property is exempt from property tax and the forms that need to be filed to properly claim the exemption.

See, Circular 230 Disclosure at the top of page one of this Memorandum. This Disclosure is applicable to every page of this Memorandum. Also see the discussion at page two of this Memorandum regarding the taxation of unrelated business income for federal and state income tax purposes.