

PT 04-24

Tax Type: Property Tax

Issue: Charitable Ownership/Use

**STATE OF ILLINOIS
DEPARTMENT OF REVENUE
OFFICE OF ADMINISTRATIVE HEARINGS
CHICAGO, ILLINOIS**

**CHILD EVANGELISM
FELLOWSHIP OF ILLINOIS,
APPLICANT**

v.

**ILLINOIS DEPARTMENT
OF REVENUE**

**No. 02-PT-0064
(01-101-0134)
P.I.N: 12-30-354-002
12-30-353-005**

RECOMMENDATION FOR DISPOSITION

APPEARANCES: Mr. Vern L. Davitt, attorney at law, on behalf of Child Evangelism Fellowship of Illinois (hereinafter the “applicant”); Mr. Gary Stutland, Special Assistant Attorney General, on behalf of the Illinois Department Of Revenue (the “Department”).

SYNOPSIS: This proceeding raises the issue of whether real estate identified by Winnebago County Parcel Index Numbers 12-30-354-002 and 12-30-353-005 (collectively the “subject property”) were “used exclusively for religious purposes,” as required by Section 15-40 of the Property Tax Code, 35 **ILCS** 200/1-1, *et seq.*, during any part of the 2001 assessment year. The underlying controversy arises as follows:

Applicant filed an Application for Property Tax Exemption with the Winnebago County Board of Review (the “Board”) on December 19, 2001. The Board reviewed this Application and recommended to the Department that the subject property be exempt as of May 15, 2001. The Department rejected the Board’s recommendation *in toto* by

issuing a determination, dated September 12, 2002, finding that the subject property is not in exempt ownership and not in exempt use.

The applicant filed a timely appeal to this determination and later presented evidence at a formal evidentiary hearing, at which the Department also appeared. Following a careful review of the record made at hearing, I recommend that the Department's initial determination in this matter be affirmed.

FINDINGS OF FACT:

I. Preliminary Considerations

1. The Department's jurisdiction over this matter and its position herein are established by the admission into evidence of Dept. Group Ex. No. 1.
2. The Department's position in this matter is that the subject property is not in exempt ownership and not in exempt use. *Id.*
3. The sole applicant in this matter is Child Evangelism Fellowship of Illinois, an Illinois not-for-profit corporation. *Id.*; Applicant Ex. No. 18.
4. The subject property is located in Rockford, IL and improved with a 2,597 square foot building and related parking area. *Id.*; Applicant Ex. No. 10.

II. National, State and Local Organizational Structures

A. The National Organization

5. The applicant is a subordinate unit of Child Evangelism Fellowship, Inc., ("CEF" or "the national organization"), a not-for-profit corporation headquartered in Warrenton, Missouri. Applicant Ex. Nos. 8, 20, 23.

6. CEF's basic organizational purposes are, per its by-laws, to promote the Christian faith by evangelizing children with the Gospel of Jesus Christ. Applicant Ex. No. 20.
7. CEF and all of its subordinate units, inclusive of its state organizations and their local chapter committees, are exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, pursuant to the terms of a determination issued by the Internal Revenue Service on August 28, 1964. Applicant Ex. Nos. 8(a), 8(b).
8. As the national organization, CEF is specifically responsible for:
 - A. Developing programs and policies that fulfill its organizational purposes;
 - B. Overseeing the content of and producing published materials for use in its programs;
 - C. Supervising the work of its subordinate state organizations and their local chapter committees; and,
 - D. Training and equipping leaders for its state organizations and their local chapter committees.

Applicant Ex. No. 23.

9. CEF's programs include, but are not limited to, "Good News Clubs" and "Five Day Clubs," which are Bible classes for children that are taught in the home environment. Applicant Ex. Nos. 17, 20.
10. CEF also operates the "USA Children's Ministries Institute," which trains, equips and certifies CEF workers on the national, state and local levels. Applicant Ex. No. 20.

B. The State Organizations

11. The state organizations, of which the applicant is one, are separately incorporated

from CEF and are responsible for the following:

A. Overseeing the work of CEF on a statewide basis and cooperating with the national organization to develop budgets, goals, and plans for accomplishing CEF's purposes within the state;

B. Building awareness of CEF's purposes throughout the state,;

C. Developing financial support for CEF's programs and retaining sufficient personnel to support its work throughout the state;

D. Establishing such local chapter committees as the state organization shall deem necessary for accomplishing its purposes;

E. Working with the local chapter committees to ensure fulfillment of CEF's organizational purposes;

F. Training and equipping state staff and local leadership; and,

G. Producing any materials that may be necessary to accomplish CEF's organizational purposes on a statewide level.

Applicant Ex. Nos. 20, 23

C. The Local Chapter Committees

12. The local chapter committees are responsible for the following:

A. Cooperating with the state organization to establish goals, budgets and plans for accomplishing CEF's purposes within the area, as it relates to all children within that area;

- B. Determining the programs that are best suited for accomplishing CEF's purposes within the area that the local chapter committee serves;
- C. Building awareness of CEF's purposes throughout the local area, developing financial support for its programs and developing local leadership for the ministry;
- D. Recruiting and developing volunteers for carrying out the ministry; and,
- E. Overseeing the volunteers that it recruits so that each of the volunteers agrees with and adheres to the CEF's organizational philosophies.

Applicant Ex. No. 23.

13. CEF's state organizations are distinct from its local chapter committees in that only the state organizations are incorporated entities. Although the local chapter committees are not separately incorporated from their respective state organizations, they are created as standing committees of those state organizations and are responsible for carrying on CEF's work in the local communities they serve. Applicant Ex. No. 7.

14. "Child Evangelism Fellowship, Inc., Northwest Chapter,"¹ (the "Northwest Chapter"), is the local chapter committee that serves the area in which the subject property is located. Applicant Ex. No. 22.

1. Name taken verbatim from the Northwest Chapter's Constitution and by-laws. Applicant Ex. No. 22.

III. Applicant's Organizational and Financial Structures

15. The applicant is an Illinois not-for-profit corporation organized for purposes of carrying on child evangelism within CEF's overall corporate structure. Applicant Ex. Nos. 18, 21.

16. The applicant's specific organizational purposes are to:

- A. Promote and conduct Good News Clubs and evangelistic meetings for children wherever possible in homes, schools, halls, open air meetings and other venues;
- B. Provide such other programs and facilities as its governing board may deem necessary to reach children for Christ;
- C. Conduct conferences for children's workers;
- D. Organize CEM's work and programs on a state-wide basis; and,
- E. Cooperate with other Christian agencies that are teaching the Word of Christ to youth and seeking to lead them to Christ.

Applicant Ex. No. 21.

17. The applicant is exempt from federal income tax under terms of the group exemption granted to CEF. Applicant Ex. Nos. 8(a), 8(b).

18. The applicant is also exempt from Illinois use and related sales taxes pursuant to a determination that it is "organized and operated exclusively for religious purposes" within the meaning of 35 **ILCS** 105/3-5(4), issued by the Department on June 8, 2001. Applicant Ex. No. 24.

19. The applicant's federal return discloses the following information about its financial structure for the calendar year ending December 31, 2001:

- A. The applicant had total gross revenues of \$246,733.00, with: (1) \$244,482.00 or 99% attributable to contributions, gifts and grants²; and, (2) 2,251.00 or the remaining 1% attributable to gross profit from the sale of inventory;³
- B. The applicant's incurred total expenses of \$294,306.00, with: (1) \$235,068.00 or 80% attributable to program services; (2) \$50,238.00 or 17% coming from management and general; and, (3) \$9,000.00 or the remaining 3%, attributable to fundraising;
- C. The applicant's program expenses were divided as follows:⁴ (1) \$95,068.00 or 40%, attributable to teaching programs, such as Good News and Five Day Clubs; (2) 50,000.00 or 21%, attributable to teacher training programs; and, (3) \$90,000.00, or the remaining 38%, attributable to "Camp Good News," an overnight evangelical camp for children;
- D. The applicant's total expenses of \$294,306.00 less its total net revenues of \$228,833.00 yielded a deficit of \$65,473.00.

Applicant Ex. No. 26.

IV. Applicant's Programs

2. Most of the revenues within this category come from amounts that the local chapter committees contribute to the applicant as "administrative support," with lesser amounts coming from gifts from churches, individual donations and other gifts. Applicant Ex. Nos. 7, 25.

3. The applicant derives these revenues from a bookstore that it operates at the subject property. For further details concerning the operation of this bookstore, *see*, Findings of Fact 34-36, *infra* at pp.9-10.

4. I have not included breakdowns of the applicant's fundraising expenses or its management and general expenses because they do not affect the outcome of this case.

20. The Good News Clubs that the applicant sponsors meet once a week and are conducted under the supervision of teachers that CEF trains. Applicant Ex. Nos. 3, 17.
21. Most Good News Clubs meet in private homes, although some meet in schools or other neighborhood venues. *Id.*
22. Each Good News Club session lasts approximately one hour and features Christian-oriented games, Bible lessons, singing, prayer and other activities for children ages 5 through 12. *Id.*
23. All Good News Club activities are conducted free of charge, although an optional offering to support CEF's missionary work is collected at each session. *Id.*
24. Five Day Clubs are similar to Good News Clubs except that Five Day Clubs meet for five consecutive days rather than once per week. Applicant Ex. No. 3.
25. Camp Good News is an overnight Christian Evangelical camp for children between the ages of 7 and 12 that is located in Washington, Illinois.⁵ *Id.*

V. Ownership and Use

26. Applicant obtained ownership of the subject property by means of a trustee's deed dated May 15, 2001. Applicant Ex. No. 19.
27. The subject property is improved with a 2,597 square foot building. Applicant Ex. No. 9.
28. The building is divided between a main floor and a partially finished basement. *Id.*; Applicant Ex. No. 10.

5. The exempt status of the Camp Good News facility is not at issue in this case.

29. The basement contains an unfinished area, as well as office and storage space, a bathroom, a boiler room and a furnace area that also contains storage space. Applicant Ex. No. 10.
30. The first or main floor contains a reception area, a children's area, a conference room, a kitchen, a workroom, an executive office and a bookstore. *Id.*
31. The bookstore occupies a 485.3 square foot (21.1' x 23') area of the first floor,⁶ which in turn constitutes 19% of the total square footage of the building as a whole. *Id.*
32. The bookstore's financial structure for 2001 was as follows:
- A. The bookstore had total revenues of \$6,329.07, with \$5,586.63 or 88% coming from operating revenues and \$742.44 or the remaining 12% coming from a balance that it carried forward from December 31, 2000;
 - B. The bookstore's operating revenues came from the following sources: (1) \$3,035.21 or 48% from taxable sales; (2) \$2,508.92 or 40% coming from non-taxable sales; and, (3) \$42.50 or the remaining 1% coming from re-entry of a voided check;
 - C. The bookstore's total expenses were \$ 5,491.88, with \$ 4,278.51 or 78% attributable to purchased materials and \$1,213.37 or the remaining 22% attributable to miscellaneous expenses;

6. The floor plan submitted as Applicant Ex. 10 contains exact dimensions for some, but not all of the areas listed in Findings of Fact 32 and 33. Of those areas for which exact dimensions were provided, only those pertaining to the first floor bookstore ultimately have any relevance to the outcome of this case. *See, infra* at pp. 17-22. Therefore, in the interest of brevity, I have omitted the dimensions of the remaining areas for which dimensions were provided.

- D. Fully 90%, or \$3,845.04 of the \$4,278.51 in expenses that the bookstore incurred for purchased materials were attributable to materials that the bookstore purchased from CEF;
- E. The remaining 10% of the bookstore's expenses for purchased materials were attributable to materials purchased from a variety of other suppliers;
- F. The bookstore's total revenues of \$6,329.07 less its total expenses of \$5,491.00 yielded a net income of \$838.07.

Applicant Ex. No. 4.

- 33. Many of the items sold at the bookstore are used as materials for the Good News Clubs and Five Day Clubs that are held away from the subject property. Applicant Ex. No. 27; Tr. pp. 47-48.

CONCLUSIONS OF LAW:

Article IX, Section 6 of the Illinois Constitution of 1970 provides as follows:

The General Assembly by law may exempt from taxation only the property of the State, units of local government and school districts and property used exclusively for agricultural and horticultural societies, and for school, religious, cemetery and charitable purposes.

Pursuant to Constitutional authority, the General Assembly enacted Sections 15-40 and 15-125 of the Property Tax Code (35 **ILCS** 200/1-1 *et seq.*), which provide, in relevant part, for exemption of the following:

200/15-40. Religious purposes, orphanages, or school and religious purposes

All property used exclusively for religious purposes, or used exclusively for school and religious purposes, or for orphanages and not leased or otherwise used with a view to a profit ...[.]

35 ILCS 200/15-40.⁷

200/15-125. Parking areas

Parking areas, not leased or used for profit, when used as a part of a use for which an exemption is provided by this Code and owned by any school district, non-profit hospital, school, or religious or charitable institution which meets the qualifications for exemption, are exempt.

35 ILCS 200/15-125.

Statutes conferring property tax exemptions are to be strictly construed, with all facts construed and debatable questions resolved in favor of taxation. People ex rel. Nordland v. Home for the Aged, 40 Ill.2d 91 (1968); Gas Research Institute v. Department of Revenue, 154 Ill. App.3d 430 (1st Dist. 1987). Moreover, the applicant bears the burden of proving, by clear and convincing evidence, that the property it is seeking to exempt falls within the appropriate statutory exemption. Immanuel Evangelical Lutheran Church of Springfield v. Department of Revenue, 267 Ill. App.3d 678 (4th Dist. 1994).

The clear and convincing standard is met when the evidence is more than a preponderance but does not quite approach the degree of proof necessary to convict a person of a criminal offense. Bazydlo v. Volant, 264 Ill. App.3d 105, 108 (3rd Dist. 1994). Thus, “clear and convincing evidence is defined as the quantum of proof which leaves no reasonable doubt in the mind of the fact finder as to the veracity of the proposition in question.” In the Matter of Jones, 285 Ill. App.3d 8, 13 (3rd Dist. 1996); In

7. An amendment to this provision, effective August 10, 2001, has no effect on the issue presented herein. See, Public Act 92-333.

re Israel, 278 Ill. App.3d 24, 35 (2nd Dist. 1996); *In re the Estate of Weaver*, 75 Ill. App.2d 227, 229 (4th Dist. 1966).

A. Technical Issues

The fact that the applicant did not obtain ownership of the subject property until May 15, 2001 raises a preliminary technical issue under Section 9-195 of the Property Tax Code. Section 9-195 (35 ILCS 200/9-195), states, in relevant part, that:

... when a fee simple title or lesser interest in property is purchased, granted, taken or otherwise transferred for a use exempt from taxation under this Code, that property shall be exempt from taxes from the date of the right of possession, except that property acquired by condemnation is exempt as of the date the condemnation petition is filed.

35 ILCS 200/9-195

In this case, the applicant did not obtain its “right of possession” to the subject property until May 15, 2001. Therefore, any exemption concerns herein are limited to the 63% of the 2001 assessment year⁸ that transpired between May 15, 2001 and December 31, 2001 by operation of Section 9-195 of the Property Tax Code.

B. Substantive Issues

The word “exclusively” when used in Sections 15-40, 15-125 and other property tax exemption statutes means the “the primary purpose for which property is used and not any secondary or incidental purpose.” Pontiac Lodge No. 294, A.F. and A.M. v. Department of Revenue, 243 Ill. App.3d 186 (4th Dist. 1993). As applied to the uses of property, a religious purpose means “a use of such property by a religious society or persons as a stated place for public worship, Sunday schools and religious instruction.”

8. Section 1-155 of the Property Tax Code defines the term “year” for Property Tax purposes as meaning a calendar year. 35 ILCS 200/1-155.

People ex rel. McCullough v. Deutsche Evangelisch Lutherisch Jehova Gemeinde Ungeanderter Augsburgischer Confession, 249 Ill. 132, 136-137 (1911).

Where real estate is used for multiple purposes, and can be divided according to specifically identifiable areas of exempt and non-exempt use, it is appropriate to exempt the area or areas that are actually used for exempt purposes and subject the remainder to taxation. Illinois Institute of Technology v. Skinner, 49 Ill.2d 59, 64 (1971). The floor plan submitted as Applicant Ex. No. 10 divides the building improvement into several specifically identified usage areas. However, for the following reasons, I conclude that the applicant has failed to prove that any of these areas were actually used for qualifying “religious” purposes during the period under review.

Concerning the main floor bookstore, which occupies 19% of the building as a whole, it is first noted that operating a bookstore is not an inherently “religious” enterprise in the conventional sense, at least to the extent that it lacks the requisite association with places traditionally used for public worship, Sunday school or other devotional instruction. People ex rel. McCullough v. Deutsche Evangelisch Lutherisch Jehova Gemeinde Ungeanderter Augsburgischer Confession, *supra*. It does, nonetheless, raise more contemporary questions as to whether a bookstore that sells only Christian-oriented publications is “used exclusively for religious purposes,” within the meaning of Section 15-40.

Illinois courts have yet to address this exact issue. However, in the context of the publication and distribution of materials bearing “religious” content, real estate can be used for purposes that are either: (1) primarily “religious” with incidental commercial nuances (Inter-Varsity Christian Fellowship v. Hoffman, 62 Ill. App. 3d 798 (2nd Dist.

1978)); or, (2) “primarily commercial with religious overtones.” (Cook Communications Ministries v. Illinois Department Of Revenue, 345 Ill. App.3d 753, 758 (2nd Dist. 2004), *rehearing denied* February 8, 2004). For the following reasons, I conclude that the use of this applicant’s bookstore is not primarily for “religious” purposes.

First, the financial structure of that bookstore is more consistent with the financial structure of a commercial bookstore than a “religious” enterprise. Fully 88% of the bookstore’s operating revenues come from sales. *See*, Applicant Ex. No. 4. Furthermore, those remaining revenues that the bookstore does not derive from sales come from sources other than voluntary contributions.

In Inter-Varsity Christian Fellowship v. Hoffman, *supra*, the court held that property of a duly constituted evangelical organization that was used to prepare and distribute Christian literature qualified for exemption under the then-applicable version of Section 15-40⁹ even though its enterprises yielded a net income. However, the Inter-Varsity Christian Fellowship court stated, in no uncertain terms, that any net income the Fellowship received should not destroy the exemption because that net income was “the sole result of donations.” Inter-Varsity Christian Fellowship, *supra* at 803.

The same is not true in this case because none of the bookstore’s operating revenues come from donations or other forms of voluntary contributions. Applicant Ex. No. 4. Rather, because such revenues come from sales, I must conclude that, unlike Inter-Varsity Christian Fellowship, *supra*, the net income shown on Applicant Ex. No. 4 is solely attributable to a business enterprise.

9. That version was found in Section 19.2 of the Revenue Act, Ill. Rev. Stat. 1967, par. 19.2. [citation as it appears in the case].

This, however, is not the only difference between the two cases, as the record in Inter-Varsity Christian Fellowship specifically disclosed that the Fellowship gave away no less than 10% of its publications free of charge and sold an unspecified amount of its literature “at half price to individuals with the idea that they will give the books away.” Varsity Christian Fellowship, *supra* at 800.

Here, the record fails to identify what, if any, percentage of its total inventory the applicant gave away at the bookstore to those in need. Instead, it contains only testimony, of an unacceptably conclusory nature, indicating that:

Q. [By counsel for the Department]: For those who can't afford any publications, is it your testimony that you provide those publications free of charge?

A. [By the applicant's sole witness, Linda Dukey, Director of the applicant's local affiliate, Child Evangelism Fellowship, Inc., Northwest Chapter]: Many times we give away things for the most part. However, if somebody has the ability to pay, they do pay. But if we – So somebody that really needs material, wants material, a lot of times we give it away. [sic].

Tr. p. 67.

Phrases such as “many times” and “a lot of times” are much too conclusory to constitute the type of clear and convincing evidence that is necessary to sustain the applicant's burden of proof. Immanuel Evangelical Lutheran Church of Springfield v. Department of Revenue, *supra*; Bazydlo v. Volant, *supra*; In the Matter of Jones, *supra*;

In re Israel, *supra*; In re the Estate of Weaver, *supra*. In this context, that burden requires the applicant to submit an appropriate level of evidence proving that the bookstore does not merely sell or otherwise distribute books about religion (Cook Communications Ministries, *supra*) but rather, functions as the adjunct of an entity that directly engages in qualifying “religious” activities. Varsity Christian Fellowship, *supra*.

The bookstore does not function as such an adjunct because its operations only serve to promote qualifying “religious” uses on an indirect basis, at least insofar as the materials sold at this bookstore are used at “religious” events that take place away from the subject property.¹⁰ Cook Communications Ministries, *supra* at 761-762. Thus, it is of little consequence that the applicant derives a small portion of the revenues shown on its federal return from sales of inventory sold at the bookstore. *See*, Applicant Ex. No. 26.

Even if the applicant derived a relatively greater portion of its revenues from such sales, our courts have repeatedly and consistently held that it is the use to which the property itself is actually devoted, and not the use made of any income derived from the property, that is decisive. City of Lawrenceville v. Maxwell, 6 Ill.2d 42, 48 (1955); Marshall County Airport Board v. Department of Revenue, 163 Ill. App.3d 874, 876 (3rd Dist. 1987). *See also*, People ex. rel. Baldwin v. Jessamine Withers Home, 312 Ill. 136, 140 (1924); Salvation Army v. Department of Revenue, 170 Ill. App.3d 336, 344 (2nd Dist. 1988).

The bookstore area, itself, is not “exclusively used for religious” purposes because its operations are more consistent with those of a commercial bookstore than a “religious” undertaking. Furthermore, many of the activities that could qualify the subject property for the Section 15-40 exemption, such as the Good News and Five

Clubs, are held at off-site locations other than the subject property. Specifically, none of the Good News and Five Day Club meetings actually take place at the subject property because they are conducted in private homes or other off-site venues. Applicant Group Ex. Nos. 11,12; Tr. pp. 16-18, 22-24. Because the actual Camp Good News facility is also situated in a location other than the subject property, (Applicant Ex. No. 3) the mere facts that the applicant operates Camp Good News, as well as the Good News and Five Day Clubs, under its auspices, and supplies the materials that are used at the Five Day and Good News Club meetings, do not prove that the subject property *itself* was actually used as a venue for any or all of these activities during the period under review. Cook Communications Ministries, *supra* at 761-762.

With respect to the teacher training activities, the record fails to demonstrate whether or to what extent the applicant actually held teacher training workshops or other related activities at the subject property. The record does not contain any schedules or other documentation that identifies the number of teacher training programs that the applicant held at the subject property, the contents of any such programs and the date or dates on which they were held. Nor does the record contain any testimonial evidence that discloses this information. Accordingly, the record fails to support the conclusion that the subject property was actually and primarily used for teacher trainings. Therefore, the fact that the applicant holds teacher training seminars and other related activities under its auspices is, once again, legally insufficient to prove that the subject property, itself, is in exempt use. *Id.*

Based on the above, and absent other evidence to the contrary, I must conclude that although other properties not currently at issue may have been used for qualifying

10. This point is developed more completely in the ensuing paragraphs.

purposes during the period under review, the subject property, itself, was not. This subject property is the only one for which the applicant is presently seeking an exemption. Consequently, the applicant must prove that this property, and none other, is in exempt use. Cook Communications Ministries, *supra* at 761-762.

Much of the evidence that the applicant presented herein pertains to programs that took place at other properties during the period under review. This evidence, therefore, fails to prove anything about the purposes for which the subject property, itself, was used during this period. By presenting such evidence, the applicant has therefore effectively engaged in a type of evidentiary bootstrapping that Illinois law does not condone in property tax exemption cases. *Id.*

Nor does Illinois law permit the applicant to obtain a property tax exemption by presenting evidence relative to programs administered by separately incorporated entities, such as CEF, that are not the applicant herein. Even if it did, the record fails to disclose that CEF, itself, actually made any use of the subject property during the period under review. Therefore, any uses associated with CEF's own programs fails to prove that the subject property itself was in exempt use.

Unfortunately, the record fails to provide any clear insight into what specific use or uses the applicant makes of the building improvement other than the 19% used as a bookstore. In light of this, the overall conclusion that I must reach with respect to the building improvement is that the applicant did not sustain its burden of proving by the requisite standard of clear and convincing evidence that any part of this improvement was in exempt use during the period under review.

Concerning the parking area, Section 15-125 only exempts those parking areas that are actually used “as part of” another qualifying exempt use. 35 ILCS 200/15-125. This is clearly not the case herein, as the subject property was not, during the period under review, “exclusively” used for the narrow set of “religious” purposes required by Section 15-40. Therefore, the parking area that supported the applicant’s use of that property during this period is likewise non-exempt under Section 15-125.

Finally, the applicant’s exemptions from Illinois use and federal income taxes have no effect on the conclusions reached above because these exemptions do not prove that the subject property was used for the narrow set of “religious” purposes necessary to qualify it for exemption under Section 15-40 of the Property Tax Code. In re Application of Clark v. Marion Park, Inc., 80 Ill. App.3d 10101 1012-13 (2nd Dist. 1980); People ex rel. County Collector v. Hopedale Medical Foundation, 46 Ill.2d 450 (1970).

WHEREFORE, for the reasons set forth above, it is my recommendation that real estate identified by Winnebago County Parcel Index Numbers 12-30-354-002 and 12-30-353-005 not be exempt from 2001 real estate taxes under Sections 15-40 and 15-125 of the Property Tax Code, 35 ILCS 200/1-1, *et seq.*, 15-40, 15-125.

Date: 8/6/2004

Alan I. Marcus
Administrative Law Judge