

**PT 05-34**  
**Tax Type: Property Tax**  
**Issue: Charitable Ownership/Use**

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

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<b>SCANDINAVIAN PARK, INC.,</b>	)	Docket Nos.	04-PT-0026
	)		03-45-139
<b>Applicant</b>	)	PINs	09-03-476-004
<b>v.</b>	)		09-10-226-007
<b>THE DEPARTMENT OF REVENUE</b>	)	John E. White,	
<b>OF THE STATE OF ILLINOIS</b>	)	Administrative Law Judge	

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**RECOMMENDATION FOR DISPOSITION**

**Appearances:** Charles Herbst appeared for Scandinavian Park, Inc.; Shepard Smith, Special Assistant Attorney General, appeared for the Illinois Department of Revenue

**Synopsis:**

This matter arose after Scandinavian Park, Inc. ("SPI") protested the Illinois Department of Revenue ("Department") denial of SPI's application for a non-homestead property tax exemption for property SPI owned during part of calendar year 2003, and which is situated in Kane County, Illinois. The issue is whether taxpayer is entitled to a charitable property tax exemption for that property for the period from 10/25/03 to 12/31/03.

The hearing was held at the Department's offices in Chicago. SPI presented documentary evidence consisting of the corporation's organizational books and records and other documents, as well as the testimony of SPI's treasurer. I have reviewed that evidence, and I am including in this recommendation findings of fact and conclusions of law. I recommend the issue be resolved in favor of the Department.

**Findings of Fact:**

**Facts Regarding SPI's Organization**

1. Scandinavian Park is an Illinois not-for profit corporation. Applicant Ex. 1 (copy of SPI's articles of incorporation), pp. 1-3; *see also* Hearing Transcript ("Tr."), *passim*.
2. SPI's Articles of Incorporation set out the following corporate purposes:

Article 4. The purpose for which this corporation is organized are:

a. To own and operate a park near South Elgin, Illinois dedicated to providing a venue for educational and cultural events that promote knowledge and understanding of traditional Scandinavian culture.

b. The organization is organized for exclusively charitable, scientific, literary, and educational purposes within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States Internal Revenue Law.

c. Notwithstanding any other provision of these articles, this organization shall not carry on any activities not permitted to be carried out by an organization exempt from income tax under section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States Internal Revenue Law.

d. In the event of dissolution, the residual assets of the organization will be turned over to one or more organizations which themselves are exempt as organizations described in sections section 501(c)(3) or 170(c)(2) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States Internal Revenue Law, or to federal, state, or local government for exclusively public purposes.

Applicant Ex. 1, p. 3; *see also* Applicant Ex. 2 (SPI's By-Laws), p. 1 (Art. 1).

3. SPI's Article of Incorporation were signed on July 28, 2003, and filed with the

- Illinois Secretary of State's office on August 21, 2003. Applicant Ex. 1, pp. 1-2..
4. In 2004, the Internal Revenue Service ("IRS") granted § 501(c)(3) status to SPI. Applicant Ex. 1 (copy of June 02, 2004 IRS letter acknowledging SPI's § 501(c)(3) status).
  5. SPI's Bylaws reflect that it is a membership organization, and that annual membership fees are to be set by the Board of Trustees. Applicant Ex. 2, p. 1 (Art. II). The Bylaws do not, however, identify the amount of annual membership dues effective in 2003. *Id.*
  6. SPI kept no membership roster for 2003. Department Ex. 3 (SPI's response to Department's discovery requests), p. 2.
  7. SPI's Bylaws provide that it is to hold an annual meeting of members to elect officers and trustees, and to act upon business. Applicant Ex. 2, p. 1 (Art. III).
  8. SPI's Board of Trustees consists of 19 persons, with the trustees divided into two classes. Applicant Ex. 2, pp. 1-2 (Art. IV). There are nine Class A trustees, who shall include SPI's president, vice-president, secretary, treasurer, and five additional trustees elected at SPI's annual members meeting. *Id.*, p. 2 (Art. IV.1.a). Each Class A trustee must be an SPI member. *Id.* There are ten Class B trustees, including one trustee each from six specified lodges of the Vasa Order of America, and one trustee each from the following respective organizations: the Norwegian National League; the Icelandic Association of Chicago; the Danish National Committee; and the Chicago Chapter of the League of Finnish-American Societies. *Id.* (Art. IV.1.b).
  9. SPI's Board of Trustees is required to meet once every three months. Applicant

- Ex. 2, pp. 1-2 (Art. IV.3). The record does not reflect whether the Board met during 2003.
10. SPI's officers include a president, vice-president secretary and treasurer. Applicant Ex. 2, p. 2 (Arts. VI.1.a. & V.1). Each officer's duties are described in Article V of SPI's Bylaws. *Id.*, (Art. V.1 to 4).
  11. SPI's Bylaws provide that SPI's Treasurer "shall receive and deposit all moneys taken in by the Association; collect all fees and dues, if any, from Members, and deposit all moneys in a bank approved by the Board of Trustees. The Treasurer shall also keep an accurate financial record, and make all payments by checks; and shall present a complete financial report at each meeting of the Association and Board of Trustees." Applicant Ex. 2, p. 2 (Art. V.4).

**Facts Regarding the Nature of the Property At Issue, and Regarding SPI's Acquisition & Use of the Property At Issue**

12. SPI owned the property during the period at issue. Applicant Ex. 3 (quitclaim deed).
13. The parcels at issue are contiguous, and comprise the commonly known address of 31 W 217 Route 31, in South Elgin, Illinois. Department Ex. 2 (SPI's completed form PTAX-300, Application for Non-homestead Property Tax Exemption); Applicant Ex. 3 (quitclaim deed for property); Applicant Ex. 4 (sketch of property layout).
14. The property is commonly known as Vasa Park. Applicant Exs. 9-12 (flyers and newspaper articles describing events held at Vasa Park during years prior to SPI's acquisition of the property).
15. Vasa Park comprises slightly less than 25 acres of parkland, situated along the

- Fox River. Department Ex. 2, p. 1; Applicant Exs. 4, 6 (Affidavit of Use). During the period at issue, there were 12 buildings located on the property. Applicant Ex. 5 (photos of property).
16. SPI acquired the property from Illinois District Vasa Park Association, Inc. (IDVPA). Applicant Ex. 3, p. 1. IDVPA, in turn, had obtained the property by warranty deed in 1953. *Id.*, p. 2.
  17. The quitclaim deed from IDVPA to SPI was “[s]ubject to ... all taxes, fees, and special assessments for 2003 and thereafter ....” Applicant Ex. 3, p. 2.
  18. During the period when IDVPA owned the property, the property was used as a venue for three seasonal fairs and festivals celebrating Scandinavian traditions and culture. Applicant Exs. 9 (copy of pamphlet advertising an International Scandinavian Festival that was held at Vasa Park on September 9, 2001, which pamphlet bears the name of the American Scandinavian Council), 10 (copy of pamphlet advertising the 24<sup>th</sup> Annual Scandinavian Day that was held at Vasa Park on September 7, 2003, which pamphlet bears the names of the Scandinavian Day Festival Committee and IDVPA), 11 (copy of flyer advertising a Swedish Midsummer Festival that was held at Vasa Park on June 22, 2003, which flyer provides that the festival was sponsored by the Children’s Day Committee, District Lake Michigan Lodge No. 8, Vasa Order of America), Applicant Group Ex 12, pp. 1 (copy of flyer advertising the 12<sup>th</sup> Annual Scandinavian Fish Boil that was held at Vasa Park on July 24, 2003, which flyer indicates that the event was sponsored by Viljan Lodge number 349), 2 (copy of story written in the June 23, 2003 edition of the Daily Herald newspaper, under the lead, “Vasa Park plays

- host to Swedish celebration”), 3 (copy of story written in the September 8, 2003 edition of the Kane Count Chronicle newspaper, under the lead, “Festival a taste of Scandinavia”). These seasonal fairs shall hereinafter be referred to as Scandinavian Day, Children’s/Midsummer’s Day, and the Fish Boil. Department Ex. 2, p. 3 (¶ 15).
19. During the period at issue, SPI sponsored no activities to be held on the property. *See* Department Ex. 2 (original form PTAX-300, Application for Non-homestead Property Tax Exemption — County Board of Review Statement of Facts, submitted by SPI), p. 3 ¶ 15 (Specific activities taking place on the property); Department Ex. 3, p. 2.
  20. During the period at issue, SPI intended to use Vasa Park in the future to hold the same Scandinavian Day, Children’s/Midsummer’s Day, and Fish Boil fairs that were previously held during the time when IDVPA owned Vasa Park. Department Ex. 2, p. 3 (¶ 15).
  21. By holding these events, SPI intends “to acquaint and teach the public about traditional Scandinavian culture, the history of Scandinavia, and those who have emigrated from the Scandinavian countries[.]” Department Ex. 2, p. 3 (¶ 15).
  22. SPI also intended, during the period at issue, to permit others to use Vasa Park for picnics, weddings, concerts, and similar functions when the park is not in use for a program use. Department Ex. 2, p. 3 (¶ 12). SPI also intended to continue to charge what it characterized as nominal rent in order to defray the park’s expenses, which expenses SPI described as “taxes, insurance, grass cutting, etc. [sic]”). *Id.*

23. SPI kept no financial records of its operations during the period at issue. Department Ex. 2, p. 3 (¶¶ 12, 15). Instead, for the period at issue, IDVPA kept all financial records detailing items of expense or income associated with Vasa Park, as part of a planned transition period regarding activities held at Vasa Park. Department Ex. 3, p. 2; *see also* Tr. pp. 50-52 (colloquy between counsel regarding SPI's identification and proffer of financial records prepared by IDVPA regarding 2003).

24. SPI has described the planned transition period as follows:

[SPI] will act as operator of these three festivals[, referring to the Scandinavian Day, Children's/Midsummer's Day, and Fish Boil]. However, a transition period was necessary in order to ensure successful operation of these events. The 2003 Scandinavian Day Festival and 2003 Fish Boil were conducted by IDVPA and the 2004 Children's Day/Midsummer Festival was substantially conducted by the Children's Day Committee. [SPI] will conduct the 2004 Scandinavian Day Festival and Fish Boil. [SPI] will be responsible for all three festivals and any other festivals conducted in 2005 and beyond.

Although [SPI] owned the property from October 23, 2003 forward, it did not have financial operations for 2003. A membership drive was not conducted until the beginning of 2004. \*\*\*

Department Ex. 3, p. 2.

25. Although SPI kept no financial records for 2003, it intended to maintain a price structure for admissions to the seasonal Scandinavian fairs, and for other uses of Vasa Park, that is similar to that previously used by IDVPA. Department Ex. 3, pp. 2-3; Applicant Ex. 8, pp. 2-3.

26. In a letter to the Department regarding its property tax exemption application, SPI described its intended festival admission policy as follows:

Admission charges to festivals have always been more in the nature of donations. Admission charges are posted and advertised using the word “donation.” These festivals are run in a charitable manner and are conducted by volunteers. Nominal admission is charged to defray the fixed costs of operating the park and break even on other festival expenses. [SPI] believes that the festival attendees are of enough means to afford the amount posted as the suggested donation for admission. The current officers are not aware of any time when usage of the park was denied or admission to a festival refused because of an individual or organization’s inability to pay. SPI intends to admit those who claim that the admission price is unaffordable at either a reduced rate or without charge, depending on the judgment of the individual seeking admission.

Department Ex. 3, p. 2.

27. In the same letter, SPI described its intended charges for other uses of Vasa Park as follows:

When Vasa Park is not being used for the three festivals, IDVPA occasionally rented the park out to others for private use. This use does not constitute a trade or business, as it is not entered into for profit. The standard fee for rental of the park is \$1,000 for the first 4000 people attending and \$2 for each additional persons attending. Members pay the same rental fees as the public. Reductions to the fee schedule are considered on a case-by-case basis, particularly for nonprofit groups. IDVPA fees for use of the park have ranged from \$1,000 for a large corporate picnic, \$200 for a young couple of modest means holding their wedding and reception at the park, and \$1 for a Swedish organization that had limited resources and wanted to hold a picnic.

Generally, rental use of Vasa Park has been at a rental that is below the pro-rata cost of maintaining the park, often with charitable intent.

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Department Ex. 3, p. 3.

28. Taxpayer’s treasurer knew that, when IDVPA owned the Vasa Park property, its

use of the property was not exempt from Illinois property taxation. Tr. p. 62 (testimony of John Grandin (“Grandin”).

**Conclusions of Law:**

Article IX of the 1970 Illinois Constitution generally subjects all real property to taxation. Eden Retirement Center, Inc. v. Department of Revenue, 213 Ill. 2d 273, 285, 821 N.E.2d 240, 247 (2004). Article IX, § 6, permits the legislature to exempt certain property from taxation, based on ownership and/or use. Ill. Const. Art. IX, § 6 (1970).<sup>1</sup> One class of property that the legislature may exempt from taxation is property used exclusively for charitable purposes. Ill. Const. Art. IX, § 6 (1970); Eden, 213 Ill. 2d at 286-87, 821 N.E.2d at 248.

Pursuant to the authority granted under the Illinois Constitution, the General Assembly enacted § 15-65 of the Property Tax Code (PTC), which provides, in relevant part:

§ 15-65 Charitable purposes. All property of the following is exempt when actually and exclusively used for charitable or beneficent purposes, and not leased or otherwise used with a view to profit:

(a) institutions of public charity.

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35 ILCS 200/15-65.

When analyzing the relationship between Article IX § 6 of the Illinois Constitution and property tax exemption statutes such as PTC § 15-65, the Illinois

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<sup>1</sup> Article IX, § 6 of the Illinois Constitution of 1970 provides that:  
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.  
Ill. Const. Art. IX, § 6 (1970).

Supreme Court, in Eden, repeated what it had held years ago, in Methodist Old Peoples Home v. Korzen, 39 Ill. 2d 149, 155, 233 N.E.2d 537, 540 (1968):

Since the terms of article IX of the constitution subject all property generally to taxation, the courts have strictly construed statutes granting tax exemptions and have insisted that they keep clearly within the boundaries set forth in the constitution. [citations omitted] The burden of proving the right to exemption is upon the party seeking it, and in determining whether property is included within the scope of an exemption, all facts are to be construed and all debatable questions resolved in favor of taxation. [citations omitted] Plaintiffs must show that its organization and the use of its property came within the provisions of the statute *and the constitution*.

Eden, 213 Ill. 2d at 287, 821 N.E.2d at 248 (*quoting* Methodist Old Peoples Home, 39 Ill. 2d at 155, 233 N.E.2d at 540) (emphasis added by Eden court).

The property at issue here was denied exempt status because the Department determined that the property was not in exempt ownership, and that it was not in exempt use. Department Ex. 1. Thus, SPI has the burden to show that, during roughly the last quarter of 2003, it was an institution of public charity, and that the property was, during the same period, actually and exclusively used for charitable purposes, and not leased or otherwise used with a view to profit. 35 ILCS 200/15-65; Eden, 213 Ill. 2d at 287, 821 N.E.2d at 248.

When considering whether an entity is organized and operated exclusively for charitable purposes, or, in other words, whether it is an institution of public charity, Illinois courts and the Department follow the guidelines announced by the Illinois Supreme Court in Methodist Old Peoples Home, 39 Ill. 2d 149, 233 N.E.2d 537. Those guidelines ask whether:

- (1) the benefits derived are for an indefinite number of

- persons for their general welfare or in some way reduce the burdens on government;
- (2) the organization has no capital, capital stock, or shareholders, and does not profit from the enterprise;
  - (3) funds are derived mainly from private and public charity, and the funds are held in trust for the objects and purposes expressed in the organization's charter;
  - (4) charity is dispensed to all who need and apply for it; and
  - (5) obstacles are placed in the way of those seeking the benefits;
  - (6) whether the primary purpose for which property is used is charitable, and not merely a secondary or incidental purpose.

Methodist Old Peoples Home, 39 Ill. 2d at 156-57, 233 N.E.2d at 542.

### **Arguments and Analysis**

The Department argues that taxpayer fails to meet several of the applicable criteria. Specifically, it argues that, since SPI did not use the property at all during the short-year period, it cannot establish that it actually and exclusively used the property for charitable purposes. *See* Tr. pp. 82-83 (closing argument). It further argues that taxpayer's failure to have any financial operations during the partial year period, as well as its failure to keep any financial records, in its own name, for that period, prevent SPI from satisfying any of the factors that tend to establish that SPI actually operated as an institution of public charity. Tr. pp. 83-87.

SPI responds that, while the property was not used during the particular part of the year addressed in this application exemption, it was used in 2003 immediately before SPI acquired the property, and thereafter, during 2004, to hold the fairs and festivals SPI was organized to conduct. SPI also asserts that the financial records regarding the property's use and operation were offered into evidence at hearing, but denied admission because they were identified as IDVPA's records. Finally, SPI contends that its lack of

financial operations prove that no one profited, in a private sense, from the Vasa Park during the short-year period.

I begin my analysis by addressing each of the Methodist Old Peoples Home factors having particular relevance to this matter. The evidence relative to the second factor shows that SPI has no capital, capital stock, or shareholders. Applicant Exs. 1-2. This conclusion is based on evidence that SPI is organized as an Illinois non-profit corporation, and on evidence that it has been granted exempt status from the Internal Revenue Service, for federal income tax purposes. *Id.* But a corporation's non-profit organizational documents do not prove that its *operations* are, in fact, non-profit, which is part of the reason why an Illinois non-profit corporation is required to keep books and records in the first place. 805 ILCS 105/107.75;<sup>2</sup> *see also* Methodist Old Peoples Home, 39 Ill. 2d at 157, 233 N.E.2d at 542 (“the statements of the agents of an institution and the wording of its governing legal documents evidencing an intention to use its property exclusively for charitable purposes do not relieve such institution of the burden of proving that its property actually and factually is so used ....”). Similarly, proof that an entity has been granted an exemption from federal income tax pursuant to § 501(c)3 does not relieve that entity from establishing either that its operations are exclusively

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<sup>2</sup> Section 107.75 of Illinois' General Not For Profit Corporation Act of 1986 provides:

107.75. Books and records.

(a) Each corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, board of directors and committees having any of the authority of the board of directors; and shall keep at its registered office or principal office a record giving the names and addresses of its members entitled to vote. All books and records of a corporation may be inspected by any member entitled to vote, or that member's agent or attorney, for any proper purpose at any reasonable time.

805 ILCS 105/107.75.

charitable or that it uses the property at issue exclusively for charitable purposes. Eden, 213 Ill. 2d at 290-91, 821 N.E.2d at 250.

While the documentary evidence supports SPI's claim that it may have been organized as an institution of public charity, SPI has not established that it was operated as an institute of public charity. The third and sixth Methodist Old Peoples Home factors are relevant here, and they ask, respectively, whether SPI's funds are derived mainly from private and public charity, and whether SPI used Vasa Park exclusively for charitable purposes. Methodist Old Peoples Home, 39 Ill. 2d at 156-57, 233 N.E.2d at 542. Regarding the third factor, SPI offered no credible, regularly kept business records showing that SPI's funds are derived mainly from private and public charity. Other than its organizing documents and the letter from the IRS granting it § 501(c)3 status, SPI concedes that it kept no other books and records, either financial or otherwise, to document its operations. Department Ex. 3, p. 2.

SPI's failure to keep such records is contrary to its own Bylaws, which require its treasurer to "keep an accurate financial record, ... and ... present a complete financial report at each meeting of the Association and Board of Trustees." Applicant Ex. 2, p. 2 (Art. V.4). Its Bylaws further require SPI's Board of Trustees to meet every three months, which means that SPI's Board should have met at some time between August 21, 2003, when its Articles of Incorporation were filed, and December 31, 2003. *Id.*, pp. 1-2 (Art. IV.3). At that meeting, SPI's Treasurer was required to have prepared some "accurate financial record" to present to the Board. *Id.*, p. 2 (Art. V.4). SPI's admission thus means that one of three things occurred: (1) SPI did not hold the required Board of Trustees meeting in 2003; (2) SPI held a Board of Trustees meeting in 2003, but its

treasurer did not present an accurate financial record there; or (3) SPI held a Board of Trustees meeting in 2003, its treasurer presented an accurate financial record there, but that report was not kept by SPI or its treasurer. Any of those alternatives means that SPI was not operating pursuant to the requirements of its official charter.

Notwithstanding its admitted failure to keep written books and records as required by Illinois' General Not For Profit Corporation Act and its own Bylaws, SPI argues that the sworn testimony of its witness regarding SPI's financial operations during 2003, establish, at least, that no private benefit accrued to anyone as a result of SPI's organization or its use of the property. Tr. pp. 91-92. This, however, is a tax case, where testimony alone is generally insufficient to rebut the Department's factual determinations, like the ones made in the Department's denial issued here. *See Copilevitz v. Department of Revenue*, 41 Ill. 2d 154, 157-58, 242 N.E.2d 205, 207 (1968) (testimony alone is insufficient to rebut the Department's determination that certain transactions were not exempt from taxation); *PPG Industries, Inc. v. Department of Revenue*, 328 Ill. App. 3d 16, 33, 765 N.E.2d 34, 48 (1<sup>st</sup> Dist. 2002) (testimony alone is insufficient to rebut the Department's determination that certain transactions were subject to Illinois tax).

In a property tax exemption case, the burden is on the claimant to prove its entitlement to an exemption by clear and conclusive evidence (*Gas Research Institute v. Department of Revenue*, 154 Ill. App. 3d 430, 434, 507 N.E.2d 141, 144 (1<sup>st</sup> Dist. 1987)), and clear and convincing evidence has been 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 re Jones*, 285 Ill. App. 3d 8, 13, 673 N.E.2d 703, 706 (1<sup>st</sup> Dist. 1996). Here, Grandin's testimony on particular subjects like the primary source of

SPI's funding, his characterization of SPI's admissions or rental charges as donations, and SPI's putative waiver of admission charges for those unable to pay, in each case, constitutes a conclusion that has no documented, factual support in the record. Tr. pp. 61-63 (Grandin). At the very least, I have reason to doubt Grandin's testimony that SPI would receive donations, as opposed to rental fees, from others for using Vasa Park when it was not used by SPI (Tr. p. 61 (Grandin)), since SPI's exemption application, and its response to discovery in this case, stated just the opposite. Department Ex. 3, p. 3 ("When Vasa Park is not being used for the three festivals, IDVPA occasionally rented the park out to others for private use. ... The standard fee for rental of the park is \$1,000 for the first 4000 people attending and \$2 for each additional persons attending. \*\*\*\*"); Department Ex. 2 ("[SPI] intends to continue the practice of granting similar picnic licenses, etc. to various groups to use the park when it is otherwise empty.").

Related to this point, SPI argues that it offered financial records to document the funds derived and expenses related to the use of the Vasa Park property in 2003, but that those records were denied admission. Tr. p. 91. That exhibit was objected to by the Department, and denied admission at hearing, because it was identified as being the "income and expense statement as of December 31, 2003, for [IDVPA]." Tr. pp. 50-52. Another entity's financial books and records are simply not relevant to show the sources of SPI's funding, or the manner in which SPI used such funds during the short year period.

Based on the foregoing, and with regard to the sixth Methodist Old Peoples Home factor, I must reject one of SPI's closing arguments. SPI asserted that its admission that it conducted no financial operations during the applicable short year must lead to a

conclusion that it did nothing that could have some private benefit gave to anyone associated with SPI. Tr. p. 92. But SPI's factual admission proves too much. No operations not only means that SPI did not obtain some private profit by its use of Vasa Park, it also means that it conducted no *charitable* operations there, either.

Finally, while SPI's organizational and other documents set forth its intended use of Vasa Park (Department Ex. 3; Applicant Ex. 8), Illinois law is clear that "evidence that land was acquired for an exempt purpose does not eliminate the need for proof of actual use for that purpose. Intention to use is not the equivalent of use." Skil Corp. v. Korzen, 32 Ill. 2d 249, 252, 204 N.E.2d 738, 740 (1965). In sum, I agree with the Department's argument that, based on SPI's admissions and the evidence adduced at hearing, SPI cannot prove that it was operated as an institution of public charity during the applicable period. Nor can it prove that it used Vasa Park exclusively for charitable purposes during that period. Methodist Old Peoples Home, 39 Ill. 2d at 157, 233 N.E.2d at 542; Skil Corp., 32 Ill. 2d at 252, 204 N.E.2d at 740.

**Conclusion:**

I recommend that the Director finalize the Department's tentative denial of SPI's application for a partial year property tax exemption, and that the property remain taxable through all of 2003.

Date: 8/5/2005

John E. White  
Administrative Law Judge