

**PT 02-17**

**Tax Type: Property Tax**  
**Issue: Religious Ownership/Use**

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

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**MUHAMMAD’S HOLY TEMPLE  
OF ISLAM,**  
**APPLICANT**

**v.**

**THE DEPARTMENT OF REVENUE  
OF THE STATE OF ILLINOIS**

**01-PT-0061**

**Real Estate Tax Exemption**

**For 1999 Tax Year  
P.I.N. 20-33-100-001-0000**

**Cook County Parcel**

**Kenneth J. Galvin  
Administrative Law Judge**

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**RECOMMENDATION FOR DISPOSITION**

**APPEARANCE:** Mr. Richard D. Worssek, on behalf of the applicant; Mr. Shepard Smith, on behalf of The Department of Revenue of the State of Illinois.

**SYNOPSIS:**

This proceeding raises the issue of whether the subject property, identified by Cook County Parcel Index Number 20-33-100-001-0000 (hereinafter the “subject property”) qualifies for exemption from 1999 real estate taxes under 35 ILCS 200/15-40, which exempts, “[a]ll property used exclusively for religious purposes.”

The controversy arises as follows: On May 11, 2000, Muhammad’s Holy Temple of Islam (hereinafter the “applicant”) filed a Real Estate Exemption Complaint for the subject property with the Board of Appeals/Board of Review of Cook County

(hereinafter the “Board”). Dept. Ex. No. 3. The Board reviewed the applicant’s complaint and subsequently recommended to the Illinois Department of Revenue (hereinafter the “Department”) that an exemption for the property be denied. Dept. Ex. No. 2.

On May 17, 2001, the Department accepted the Board’s recommendation finding that the subject property was not in exempt ownership or use during 1999. Dept. Ex. No. 1. On May 25, 2001, the applicant filed a timely request for a hearing as to the denial and presented evidence at a formal hearing on March 7, 2002, with Kamal Mohammad, National Secretary of the Nation of Islam, providing oral testimony. Following submission of all evidence and a careful review of the record, it is recommended that the subject property be granted an exemption for the 1999 tax year.

**FINDINGS OF FACT:**

1. Dept. Ex. Nos. 1, 2 and 3 establish the Department’s jurisdiction over this matter and its position that the subject property was not in exempt ownership or use in 1999.
2. On October 30, 1985 the applicant acquired the subject property, located at 7901 South Halsted Street, and owned it continuously through October 27, 2000, when the applicant sold the property to the City of Chicago. Tr. pp. 16-20; App. Ex. Nos. 1, 2 and 3.
3. The subject property consists of a building with three equal levels. During 1999, no part of the building was leased and no rent was generated. There were no commercial uses of the building. The building was entirely used by Muhammad’s Holy Temple of Islam. Tr. pp. 46-49.

4. Muhammad's Holy Temple of Islam was founded in 1930 in the United States as part of the religion of Islam. Muslims believe in God who is called "Allah" and also in the prophets including Moses, Abraham, Jesus and Mohammad, the latest prophet. Muslims attempt to make a pilgrimage, called "Hajj," to Mecca in Saudi Arabia once in their lifetime. Tr. pp. 21-23.
5. Muhammad's Holy Temple of Islam is headquartered in Chicago and was incorporated in Illinois on February 4, 1985, under the "Not For Profit Corporation Act." The Articles of Incorporation state, *inter alia*, that the purposes of the corporation are "[T]he indoctrination in the religious principles of Islam on the leading of an Islamic life as taught and exemplified by the Honorable Elijah Muhammad, Messenger of Allah," and that "[T]he real and personal property of this corporation is irrevocably dedicated to religious and charitable purposes." Tr. pp. 24-25; App. Ex. Nos. 4 and 5.
6. Muhammad's Holy Temple of Islam is exempt from Retailers' Occupation Tax in Illinois and is tax exempt under Section 501(c)(3) of the Internal Revenue Code. Tr. pp. 27-28; App. Ex. No. 6.
7. The Nation of Islam has approximately 150 mosques around the world, in almost every major city in the United States. There are approximately 20,000 registered believers or clergy, and approximately 200,000 members attend the services. Registered believers indoctrinate people in the teaching of Islam, conduct mosque meetings and help bring in the congregation and make the members comfortable in the meetings. Tr. pp. 28-30, 88, 119.

8. The Nation of Islam communicates with its members in different ways: meetings and services in the mosques; through an official newspaper known as “Final Call,” considered a religious text; and through books and tapes and various radio shows across the country. Tr. pp. 30-33.
9. Training for registered believers is provided five days per week. Women’s training is separate from men’s training. Sunday is the general mosque meeting for men and women. Monday is intense training for men. Wednesday is a continuation of the general mosque meeting. Friday is religious study group. Saturday is meeting and training for women. This schedule has been followed since 1930. Tr. pp. 35-36.
10. Female members, while in the mosque, must wear a loose fitting garment which covers their legs and their hair must be covered. These garments are not commercially available. Tr. pp. 31-34.
11. Women’s training is known as “Muslims Girls Training” or “MGT.” It includes sewing classes and instruction on how to care for one’s children and raise a family under God’s law. Classes are taught by registered believers trained in home economics, sewing and cooking. MGT starts as soon as a child enters Islam and women attend classes throughout their lifetimes. Tr. pp. 37-38.
12. One room of the ground level of the subject property was devoted to MGT. In this room, women were trained in cooking, caring for a family, garment production and training on the tenets and doctrines of Islam. Garments produced included Muslim garments, headpieces, uniforms for school students and practical clothing that meets the standards of Islam. MGT classes are for registered believers or those in training to become registered believers. Attendees do not pay for the classes but are expected

to donate to Islam to cover a small amount paid to the instructor or for supplies. Tr. pp. 50-55, 101, 117; Joint Ex. No. 3.

13. Islam requires males to be able to defend themselves in accordance with the belief that knowledge of defense lessens the need to engage in violence. Muslims are not allowed to carry weapons except in certain situations, and they consider the use of force to be an extreme response. Muslims believe that physical training creates self-confidence, discipline and internal peace and that violence arises from fear. Tr. pp. 38-42.

14. This knowledge of defense and sense of self-confidence is utilized in urban areas and in the Nation of Islam's prison ministries. The Nation of Islam goes into disenfranchised urban areas and tries to change the lives of the residents. Their training allows them to enter these areas without resorting to violence, as they are taught to show confidence without being aggressive and to be able to calm any situation that develops. More extensive religious and physical training is required for registered believers in the prison ministry. These members must have a higher level of confidence and peacefulness in order to instruct prisoners who may be living in a hopeless environment. Tr. pp. 38-39; 57-58, 61.

15. Physical training for males includes martial arts training. Some of the martial arts instructors have proficiency belts. Students may be able to attain a proficiency belt through the training. Tr. pp. 92-94, 96.

16. One room of the ground level of the subject property was devoted to Fruit of Islam classes ("FOI") training for men. FOI includes instruction in the principles of Islam, instruction on how to properly care for the human body through special dietary laws

and physical training, martial arts training, and an understanding of the discipline and confidence that is developed from martial arts. FOI training is mandatory for registered believers and those in training to be registered believers. This training may be utilized by registered believers in conducting meetings in the mosque, properly securing mosque meetings, quieting disturbances, and doing outreach in neighborhoods considered dangerous. Tr. pp. 55-59, 67, 119; App. Ex. No. 7; Joint Ex. No. 3.

17. Different levels of FOI training take place on different nights of the week. Monday night classes are larger and geared toward new converts. There is no charge for FOI training. Males begin training at age four or five and continue through their entire lives. Tr. pp. 60-62, 67, 103.

18. The ground and second floors of the subject property contain rooms for storage of audio and video tapes and equipment for duplication and editing. Four people worked in this area. The audio and video tapes stored here include tapes by Hon. Elijah Mohammad, the former leader of Islam, Hon. Minister Louis Farrakhan, the current leader, and associated Nation of Islam ministers.<sup>1</sup> Tr. pp. 21, 68-73, 106, 116; App. Ex. No. 7; Joint Ex. No. 3.

19. Muhammad's Holy Temple, in Chicago, is the central point of distribution to all mosques of Islam, and study groups in the United States and missions in the Caribbean, West Africa, London and Canada. Audio and video tapes are duplicated

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<sup>1</sup> At hearing, administrative notice was taken of the following audio and video tapes, which are representative of tapes stored in this area: "The Severe Trial of the Nation of Islam" dated December 12, 1999; "Press Conference of the World Tour III," dated February 20, 1998; "This Day I Have Perfected For You Your Religion;" and "The Current Health Status of the Minister Farrakhan Press Conference at the Fabulous Salaam Restaurant," March 19, 1999. Tr. pp. 71-72.

upon request and sent to mosques and study groups around the world. Large duplications are done at another location. Tr. pp. 69-70; App. Ex. No. 7.

20. The ground and second floors of the subject property contain rooms for storage of religious publications and texts. Included in this room are Korans in English, French and Spanish and companion documents to the Koran, including "Message to the Blackman," "How to Eat to Live," and "Our Savior Has Arrived." Some of these books were written by Elijah Mohammad and are considered core spiritual texts which are used daily. Some books are given away; other books are given for a donation. Tr. pp. 74-76, 110; App. Ex. No. 7; Joint Ex. No. 3.

21. The ground and first floors of the subject property contain rooms for storage of religious literature and periodicals. Included in these rooms are "Final Call" Newspapers from 1979 to 2001. The newspapers are considered religious documents because there are articles by Hon. Minister Louis Farrakhan in each issue. These papers are never thrown away and they are considered timely documents regardless of the date.<sup>2</sup> Also archived in these rooms is the newspaper, "Mohammad Speaks," which is the original newspaper from the 1960's. The room also contains texts such as "Meaning of F.O.I.," "Training Manual for the F.O.I.," and "Official Guide to the Ministry." Tr. pp. 76-78; App. Ex. No. 7; Joint Ex. No. 3.

22. The first floor of the subject property contains a room for storage of religious material related to Islam. This material includes the Nation of Islam flag, photos and posters of Hon. Elijah Mohammad and Hon. Minister Louis Farrakhan, prayer rugs, Million

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<sup>2</sup> At hearing, administrative notice was taken of five "Final Call" newspapers which are representative of newspapers stored in this area. These papers contained the following lead articles: "An Interview With Minister Louis Farrakhan;" "To Serve, Protect and Suppress;" "U.S. Lies, U.N. Spies;" "Urban Arms Dealers Under Fire;" and "The Healing of the Deadly Wound of the Nation." Tr. pp. 77-78.

Man March flags, bumper stickers and posters saying “Allah is God,” and Savior’s Day pens. Prayer rugs are used daily for praying. Other material stored here would be used for fundraisers and shipped to mosques and study groups. Tr. pp. 80-84; App. Ex. No. 7; Joint Ex. No. 3.

23. Included on the first floor is a room with desks and 8 to 10 telephones. These telephones were used to invite people to the mosque or to notify people that Minister Farrakhan was going to speak on a particular night. The phone calls were made by registered believers who were volunteering their services. The telephones would also be used for fundraising. Tr. pp. 84-85, 91-92, 116; Joint Ex. No. 3.

#### **CONCLUSIONS OF LAW:**

An examination of the record establishes that the applicant has demonstrated, by the presentation of testimony, exhibits and argument, evidence sufficient to warrant exempting the subject property from real estate taxes for the 1999 tax year. In support thereof, I make the following conclusions.

Article IX, Section 6 of the Illinois Constitution of 1970 limits the General Assembly’s power to exempt property from taxation 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.

The General Assembly may not broaden or enlarge the tax exemptions permitted by the constitution or grant exemptions other than those authorized by the constitution. Board of Certified Safety Professionals v. Johnson, 112 Ill. 2d 542 (1986). Furthermore, Article

IX, Section 6 does not in and of itself, grant any exemptions. Rather, it merely authorizes the General Assembly to confer tax exemptions within the limits imposed by the constitution. Locust Grove Cemetery v. Rose, 16 Ill. 2d 132 (1959). Thus, the General Assembly is not constitutionally required to exempt any property from taxation and may place restrictions on those exemptions it chooses to grant. Village of Oak Park v. Rosewell, 115 Ill. App. 3d 497 (1<sup>st</sup> Dist. 1983).

Pursuant to its Constitutional mandate, the General Assembly enacted the Property Tax Code, 35 ILCS 200/1-3 *et seq.* The relevant provisions of that statute which govern the disposition of the instant proceeding are found in Section 200/15-40, which states as follows:

All property used exclusively for religious purposes, or used exclusively for schools and religious purposes, or for orphanages and not leased or otherwise used with a view to profit, is exempt ...  
35 ILCS 200/15-40.

Prior to 1909, the law required that religious property exemptions would be granted only if the party using the property for religious purposes also owned the property. People ex rel. Bracher v. Salvation Army, 305 Ill. 545 (1922). However, this is no longer the case because statutory changes have eliminated the ownership requirement. *Id.* Evidence was presented at the evidentiary hearing showing that the applicant acquired the subject property by quitclaim deed on October 30, 1985, and owned it continuously through October 27, 2000. App. Ex. Nos. 1, 2 and 3. The only issue to be decided is whether the subject property was actually and exclusively used for religious purposes in 1999.

Property satisfies the exclusive-use requirement of the tax exemption statutes if it is primarily used for the exempted purpose, even though it may also be used for a secular

or incidental purpose. McKenzie v. Johnson, 98 Ill. 2d 87, 98 (1983). In People ex rel. McCullough v. Deutsche Gemeinde, 249 Ill. 132, 136-137 (1911), the court noted that, as applied to the use of property, “a religious purpose means a use of such property by a religious society or body of persons as a stated place for public worship, Sunday schools, and religious instruction.”

Based on the evidence and testimony presented in this case, I have concluded that Muslim Girls Training (“MGT”) and Fruit of Islam Training (“FOI”) are “religious instruction” as contemplated by the court in McCullough. The training for men in FOI and women in MGT is offered to registered believers or those in training to be registered believers. Registered believers are considered clergy. Tr. p. 29. In this respect, the training is comparable to that given to Catholic seminarians. In People ex rel. Pearsall v. Catholic Bishop of Chicago, 311 Ill. 11 (1924), the court determined that a seminary preparing young men for the priesthood was exempt from taxation as property used exclusively for “religious purposes.”

The Department argued in closing that training in martial arts for men and sewing for women were “vocational activities,” and not entitled to exemption. Tr. pp. 123-124. Whereas, the training certainly does involve some vocational aspects, the testimony of Kamal Mohammad, which I find credible, clearly showed the relationship of the training to the Islamic religion. The witness testified that family life is very important in Islam and, as far as MGT is concerned, part of the training “is how to raise a family under God’s law.” Tr. pp. 37-38. The necessity of the men’s training in FOI for ministering to disenfranchised areas and prisons was clearly demonstrated by the witness: “[W]e have a philosophy that having a knowledge of defense [lessens] that need to engage in violence.

So it's a mental strategy that we use and it works very well from the meetings that we have had in the urban areas to the meetings that we have in prisons." Tr. p. 39. Mr. Mohammad added that there is always a "spiritual component" to the training which is "related to God's instructions in that area..." Tr. p. 39. Based on the above considerations, I have concluded that MGT and FOI training is primarily for religious purposes and the areas in the subject property used for this training should be exempt from property taxes.

The question of whether the storage areas on the subject property are exempt must be based on the standard set forth in MacMurray College v. Wright, 38 Ill. 2d 272, 278 (1967), where the court stated that "exemptions will be sustained if it is established that the property is primarily used for purposes which are reasonably necessary for the accomplishment and fulfillment of the [religious] objectives, or efficient administration of the particular institution." The objective of Muhammad's Holy Temple of Islam, as stated in their Articles of Incorporation, is "[T]he indoctrination in the religious principles of Islam on the leading of an Islamic life ..." App. Ex. No 4.

Muhammad's Holy Temple, in Chicago, is the central point of distribution to all mosques of Islam and study groups in the United States and missions in the Caribbean, West Africa, London and Canada. Tr. pp. 69-70. Because of this fact, I must conclude that storage on the subject property is "reasonably necessary" for the accomplishment of the applicant's objectives. The audio and video tapes stored on the subject property were sent to mosques or study groups around the world. Tr. p. 69. The religious books stored are considered core spiritual texts, including Korans in different languages and books written by Elijah Mohammad on how to lead an Islamic life. Tr. pp. 74-75. The texts and

video tapes are necessary for the fulfillment of the applicant's objective of religious indoctrination.

The "Final Call" newspapers stored on the subject property are never thrown away and are considered religious documents because they contain articles by the Hon. Minister Louis Farrakhan. The original newspaper, "Mohammad Speaks," is archived in the storage area. Tr. pp. 76-77. Other storage on the subject property included the Nation of Islam flag and prayer rugs used daily for praying. It is noted that there is precedent for the exemption of storage areas. See *i.e.* Our Savior Lutheran Church v. Dep't. of Revenue, 204 Ill. App. 3d 1055 (5<sup>th</sup> Dist. 1990) (exemption granted for storage of church property including Church records, pews, hymnals, an altar and a cross). Based on the testimony and evidence in the instant case, I have concluded that the storage of the materials on the subject property serves to directly accomplish the applicant's stated purpose and provides for the efficient administration of Muhammad's Holy Temple.

WHEREFORE, for the reasons stated above, it is recommended that the subject property, identified by Cook County Parcel Index. No. 20-33-100-001-0000, be granted an exemption from property tax for the 1999 tax year.

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Kenneth J. Galvin  
Administrative Law Judge

April 18, 2002