

CHURCHES AND SCHOOLS IN CLASS 9

Statutes (Relevant Excerpts)

42-11132. Property leased to an educational institution

A. Property, buildings and fixtures that are leased to a not for profit charter school and that are used for educational instruction in any grade or program through grade twelve shall be classified as class nine property pursuant to section 42-12009. If only part of a parcel of real property or improvements to real property is leased for operation of a charter school, only the portion so leased qualifies as class nine property.

42-11132.01. Property leased to a church, religious assembly or religious institution

A. Property, buildings and fixtures that are leased to a nonprofit church, religious assembly or religious institution and that are primarily used for religious worship shall be classified as class nine property pursuant to section 42-12009. If only part of the parcel or improvements is leased to a nonprofit church, religious assembly or religious institution and primarily used or held for religious worship, only the portion so leased qualifies as class nine property. To qualify under this subsection, the church, religious assembly or institution must annually file with the assessor an affidavit that it:

1. Continues to use or hold the property primarily for religious worship.
2. Is the sole economic beneficiary of the classification of the property as class nine pursuant to section 42-12009, subsection A, paragraph 5.

42-11152. Affidavit; false statements

B. At the assessor's discretion, the assessor may require additional proof of the facts stated by the person before allowing an exemption.

42-12009. Class nine property

A. For purposes of taxation, class nine is established consisting of:

5. Real property and improvements, including land, buildings, furniture and equipment, regardless of ownership, that are leased for the entire valuation year to, and used exclusively by, a nonprofit organization that is recognized under section 501(c)(3) of the internal revenue code and that operates on the premises as a charter school pursuant to section 15-183 or that are leased for the entire valuation year to, and used exclusively by, a nonprofit church, religious assembly or religious institution. If only part of a parcel of real property or improvements to real property is leased for operation of a charter school or a church, religious assembly or religious institution as provided by this paragraph, only the portion so leased qualifies for classification under this section. A property owner who leases property to a charter school or a church, religious assembly or religious institution as provided by this paragraph shall file an affidavit with the county assessor stating that the charter school or church, religious assembly or religious institution shall be the sole beneficiary of the change in property tax classification pursuant to this section and that the lease rate that is charged to the charter school or church, religious assembly or religious institution is consistent with the lease rates that are charged to other tenants of the property or a fair market rate.