

IN THE OREGON TAX COURT  
MAGISTRATE DIVISION  
Property Tax

MONTAVILLA UNIT OF THE PORTLAND, )  
OR COMPANY OF JEHOVAH'S )  
WITNESSES INC. )  
 )  
Plaintiff, ) TC-MD 021250A  
 )  
v. )  
 )  
MULTNOMAH COUNTY ASSESSOR, )  
 )  
Defendant. ) **DECISION**

Plaintiff has appealed Defendant's disqualification of a portion of its property, identified by Account R158315, from exemption as property devoted to a religious use. Plaintiff was represented by its counsel, Randall Wiley. Defendant appeared through Steve Skinner, of its staff.

**I. STATEMENT OF FACTS**

Plaintiff is a religious organization. It owns a 1.92 parcel consisting of a divided auditorium, an attached office and residence, and a parking lot. Since 1989 Plaintiff has allowed the Worldwide Order of Special Full-Time Servants of Jehovah's Witnesses (the Order) to use the premises as two Kingdom Halls, and as a residence for its Circuit Overseer. Since 1990 the entire property has been exempted from property tax under ORS 307.140.<sup>1</sup> In 2002 Defendant modified this status to the extent of taxing 5 percent for the 2002-03 tax year, reasoning that the living quarters of the Circuit Overseer are not consistent with the religious use required to support the exemption.

The Circuit Overseer is an important figure in the hierarchy of the Order. Sworn to a lifetime of poverty and obedience, he is forbidden any secular employment and is required

---

<sup>1</sup> All references to the Oregon Revised Statutes are to 2001.  
DECISION TC-MD 021250A

to devote himself to the administrative and spiritual oversight of the congregations in the circuit he oversees, and must reside within that boundary. The Circuit Overseer who resides in the property at issue is responsible for 17 congregations, four of which use the double Kingdom Halls of the subject property, with the balance at other Kingdom Halls at various locations within the circuit. There is no dispute that the Circuit Overseer residing at the living quarters at issue did in fact oversee the administrative and spiritual needs of the congregations, living a life of poverty and obedience consistent with the dictates of the Order.

## II. ANALYSIS

Although the statute exempting property used for religious purposes, ORS 307.140, does not speak as to the living quarters of religious leaders, this topic is addressed by a Supreme Court decision, *German Apost. Christ. Church v. Dept. of Rev.*, 279 Or 637, 569 P2d 596 (1977), and an administrative rule, OAR 150-307.140(4). The test that emerges from those authorities is that the living quarters must be reasonably necessary to accomplish the religious objectives of the organization, and that the actual use of the living quarters must be consistent with the claimed necessity. *German Apostolic*, 279 Or at 643, and OAR 150-307.140(4)(1)(b)(c)(2).

The Supreme Court, and the Tax Court, have each discussed the circumstances under which living quarters of religious leaders would be exempted. The Supreme Court chose to exempt a convent occupied by Roman Catholic nuns, reasoning the sisters were required, and did in fact reside, in a semi-cloistered setting. *House of Good Shepherd v. Dept. of Rev.*, 300 Or 340, 710 P2d 778 (1985). The Tax Court also extended an exemption to the living quarters of Roman Catholics in *Roman Catholic Archdiocese v. Dept. of Rev.*, 13 OTR 211 (1995), finding that the priest was required to reside at the

DECISION TC-MD 021250A

church in order to be available to serve the need of the parishioners.

The conclusion of the court is that providing housing for its Circuit Overseers is reasonably necessary for the religious objectives of the Order, and that the living quarters at issue here were actually used according to that end. The Circuit Overseer, like the priest in *Roman Catholic Archdiocese*, was required to be housed in order to administer to the needs of his congregation. An argument might be made that the priest in *Roman Catholic* was required by canon law to reside at a specific church, while the dictates of the Order only require the Circuit Overseer to reside within his circuit. However, such an analysis does not give sufficient weight to the point that in each instance the religious organization required the figure to live at a specific place, provided by it, to be more or less continuously available for its worshipers within a given area.

Moreover, it is not lost on the court that the Circuit Overseer is required to take a vow of poverty. Having its Circuit Overseers make such a pledge and reside in quarters provided by the Order demonstrates to worshipers the consistency between the manner in which its leaders live and the religious objectives of the Order. Although this does not have the character of the semi-cloistered atmosphere of *House of Good Shepherd*, it is nonetheless an important consideration.

Finally, there is the question that, if the living quarters of the Circuit Overseer are not exempt, what additional requirement ought the court to impose? Here we have a residence that is physically attached to a Kingdom Hall, whose relatively modest character is not disputed, from which a religious leader who has taken a vow of poverty and obedience meets the religious and administrative needs not only of the 4 congregations immediate to the site, but also the 13 others more or less adjacent. The /// court is satisfied that granting the exemption under these circumstances is consistent with

the tests outlined earlier.

### III. CONCLUSION

Now, therefore,

IT IS THE DECISION OF THIS COURT that this appeal is granted.

Dated this \_\_\_\_\_ day of September, 2003.

---

SCOT A. SIDERAS  
MAGISTRATE

**IF YOU WANT TO APPEAL THIS DECISION, FILE A COMPLAINT IN THE REGULAR DIVISION OF THE OREGON TAX COURT, BY MAILING TO: 1163 STATE STREET, SALEM, OR 97301-2563; OR BY HAND DELIVERY TO: FOURTH FLOOR, 1241 STATE STREET, SALEM, OR. YOUR COMPLAINT MUST BE SUBMITTED WITHIN 60 DAYS AFTER THE DATE OF THE DECISION OR THIS DECISION BECOMES FINAL AND CANNOT BE CHANGED.**

**THIS DOCUMENT WAS SIGNED BY MAGISTRATE SCOT A. SIDERAS ON SEPTEMBER 19, 2003. THE COURT FILED THIS DOCUMENT ON SEPTEMBER 19, 2003.**