

IN THE OREGON TAX COURT
MAGISTRATE DIVISION
Property Tax

WEST BEAVERTON CONGREGATION OF)	
JEHOVAH'S WITNESSES,)	
)	TC-MD 031095E
Plaintiff,)	
)	DECISION GRANTING
v.)	PLAINTIFF'S MOTION FOR
)	SUMMARY JUDGMENT AND
WASHINGTON COUNTY ASSESSOR,)	DENYING DEFENDANT'S
)	CROSS-MOTION FOR
Defendant.)	SUMMARY JUDGMENT

This matter is before the court on Plaintiff's Motion for Summary Judgment and Defendant's Cross-Motion for Summary Judgment. Oral argument on the motions was held by telephone June 3, 2004. Randall A. Wiley, Attorney, appeared on behalf of Plaintiff. Elmer Dickens, Senior Assistant County Counsel, appeared on behalf of Defendant.

I. STATEMENT OF FACTS

Plaintiff appeals Defendant's denial of its application for a 2004-05 property tax exemption for the residence identified in Account R45891. Overall, the property consists of a 1.43-acre parcel of land with a church building (referred to as the Kingdom Hall), the subject detached residence, and a parking lot. Defendant has allowed exemption for everything but the detached residence.

Plaintiff built the residence, which has approximately 1,000 square feet, in 2001. Plaintiff built the residence for the purpose of donating its use to the Worldwide Order of Special Full-Time Servants of Jehovah's Witnesses ("the Order"). The purpose of the Order is to "further the religious objectives of Jehovah's Witnesses." (Ptf's Ex 2 at 2.) Members of the Order are special, full-time servants who oversee the spiritual needs of the various Jehovah's Witnesses congregations they are assigned to serve. Members of the Order take a vow of

poverty and are prohibited from secular employment. (*Id.* at 1.) They perform their duties without salary. Instead, in return for their services, they receive “housing and a nominal monthly reimbursement for personal necessities provided by the Order.” (*Id.* at 2.) The Order is responsible for arranging housing for its servants. (*Id.* at 2.)

Jehovah’s Witnesses congregations are set out geographically into “circuits.” The subject residence falls within Circuit 6, which includes 19 congregations, approximately 1800 members, and “extends from Beaverton to the Oregon Coast and from Tillamook to Astoria.” (Ptf’s Ex 1 at 3.) The residence at issue is occupied by David Parsons (Parsons) and his wife. Parsons has been a member of the Order since 1961. (Ptf’s Ex 2 at 3.) Throughout his tenure, the Order has assigned Parsons to work in positions throughout the country. (*Id.*) In 1995, the Order assigned Parsons to serve in Circuit 6. (*Id.*) Initially, Parsons and his wife lived in a travel trailer on the subject parcel. (Ptf’s Ex 3 at 19.) They moved into the subject residence when it was completed in 2001.

A Circuit Overseer is a full-term servant who is assigned by the Order to a particular circuit. The Circuit Overseer works with Elders and Ministerial Servants to meet the spiritual needs of the congregations in the circuit he serves. (Ptf’s Ex 1 at 4.) The Circuit Overseer audits the records and books of the various congregations, presents speeches and lectures to the congregations, holds seminars for the leaders of each congregation, visits each congregation for at least one week of religious activity each year, meets with the leaders of the Jehovah’s Witnesses, and attends various conventions. (*Id.* at 5 to 7.) Parsons previously served as a Circuit Overseer. In recent years, his wife’s health has faded to where she is now 90 percent bedridden. Parsons is her primary caregiver. As a result, his status with the Order changed from Circuit Overseer to “Special Pioneer - Infirm Status - and Substitute Circuit Overseer.” In essence, Parsons is expected to replace the acting Circuit Overseer for Circuit 6 should the need

arise. Further, Parsons is actively engaged in advising and mentoring the current Circuit Overseer, who is relatively new to the position. (Ptf's Ex 4 at 6.) In addition to those duties, Parsons gives Bible-based presentations to area congregations and to the local regional assembly. (*Id.* at 7.) During the summer, larger "district conventions" are held where he also gives presentations. (*Id.* at 7-8.) Parsons does a lot of counseling out of his home and prepares his lectures and presentations from his home office. He spends approximately four to five hours a day taking care of church business.

Plaintiff seeks a property tax exemption for the residence used by Parsons and his wife, claiming the house is used for religious purposes. Defendant claims the home is used primarily for personal use and, as a consequence, does not qualify for exemption.

II. ANALYSIS

ORS 307.140¹ provides a property tax exemption for property used by a religious organization. It states, in pertinent part:

"Upon compliance with ORS 307.162, the following property owned or being purchased by religious organizations shall be exempt from taxation:

"(1) All houses of public worship and **other additional buildings** and property used solely for administration, education, literary, benevolent, charitable, entertainment and recreational purposes by religious organizations, the lots on which they are situated, and the pews, slips and furniture therein."

ORS 307.140(1) (emphasis added).

The residence at issue is an "other additional building" under ORS 307.140. To qualify for an exemption under ORS 307.140, Plaintiff must satisfy a two-part test. It must first establish that the property is "reasonably necessary for the accomplishment of religious objectives" of the organization. *German Apost. Christ. Church v. Dept. of Rev.*, 279 Or 637,

¹ All references to the Oregon Revised Statutes (ORS) are to 2003.

643, 569 P2d 596 (1977). One of Plaintiff's religious objectives is to have members of the Order live within the Circuit and to support the Order in providing housing to its members.

Members of the Order take a vow of poverty and rely on the Order for housing and living expenses. In *Montavilla Unit v. Multnomah County Assessor*, TC-MD 021250A, the Magistrate Division held that the living quarters of a Circuit Overseer were exempt from taxation, finding that "providing housing for [the Order's] Circuit Overseers is reasonably necessary for the religious objectives of the Order[.]" Defendant argues that, because Parsons is no longer a Circuit Overseer, the holding in *Montavilla Unit* does not apply. Although Parsons' title may be different, he continues to be a member of the Order and provides services to the church. The reasons for allowing exemption in *Montavilla Unit* apply with equal force to the subject situation. That is, that a member of the Order has taken a vow of poverty and is required to live within the Circuit he serves. The court observed:

"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."

Id. at 3. Similar analysis applies in the subject case.

In *House of Good Shepherd v. Dept. of Rev.*, 300 Or 340, 710 P2d 778 (1985), the Oregon Supreme Court allowed an exemption for a convent occupied by nuns. In so ruling, the court noted that nuns "take vows of poverty, chastity, obedience and zeal for souls. They are required by the church to live and pray together as a community and observe the strict rules of their order." *Id.*, 300 Or at 343. The court observed that "the requirement of a semi-cloistered

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residence for the [nuns was] a tenet of the order." *Id.* The church's requirements and the nature of a nun's vows permitted otherwise taxable living quarters to be exempt.

In the subject case, members of the Order similarly take vows of poverty and are required to live within the circuit that they serve. As a result, the court finds that their vows and the Order's requirements and restrictions permit a property tax exemption for the home.

This case is also similar to *Roman Catholic Archdiocese v. Dept. of Rev.*, 13 OTR 211 (1995). In that case, the Oregon Tax Court allowed exemption for the living quarters of a priest. In so holding, the court noted that specific canons of the church required a priest to reside in the rectory of the parish he served and to always be available to serve. *Id.* at 213. The living situation of Parsons, and other members of the Order, fall within similar dictates of the Order.

The court further observes that the house in question is only 1,000 square feet. The character of the residence is certainly in keeping with Parsons' vow of poverty and living a humble existence. The court finds, therefore, that the residence is reasonably necessary for the accomplishment of Plaintiff's objectives.

To qualify for the exemption, Plaintiff must satisfy the second test, which is that "actual use" of the property be "consistent with fulfillment of the religious purposes[.]" *Id.* at 214 (citing *German Apost. Christ. Church*, 279 Or at 643). The house is being used as a residence by a member of the Order, who performs significant work out of the home and for members in the Circuit. As a result, the court finds the actual use of the property is fulfilling the religious objectives of Plaintiff and the Order.

III. CONCLUSION

It is the conclusion of the court that a residence used by a member of the Order, in keeping with the dictates of the religion, qualifies for a property tax exemption. Now, therefore,

IT IS THE DECISION OF THIS COURT that Plaintiff's Motion for Summary Judgment is granted; and

IT IS FURTHER DECIDED that Defendant's Cross-Motion for Summary Judgment is
DECISION GRANTING PLAINTIFF'S MOTION FOR SUMMARY JUDGMENT
AND DENYING DEFENDANT'S CROSS-MOTION FOR SUMMARY JUDGMENT TC-MD 031095E

denied.

Dated this _____ day of November 2004.

COYREEN R. WEIDNER
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 COYREEN R. WEIDNER
NOVEMBER 22, 2004. THE COURT FILED THIS DOCUMENT NOVEMBER 22, 2004.