



Depth Perception™

Commentary from Design For Ministry™

Milwaukee – Philadelphia – Tampa

Deserving tax breaks

15 April 2004

The Wisconsin Supreme Court recently ruled that nonprofit benevolent organizations that provide housing are not entitled to property tax exemptions (*Journal Sentinel*, 1 February 2004, p.1A).

This ruling is the first of many to come. The reasons for them are numerous. We list two here:

1. **Nonprofits (including congregations) occupy increasingly large plots of prime land that disappear from the tax rolls.** At the same time, local municipalities live with increasing pressure to absorb social services cut by the Federal Government. Municipalities everywhere seek increased revenue in the face of rising expense.

2. **Nonprofits act as if they are entitled to tax exemptions.** In the specific case ruled on by the Wisconsin Supreme Court, numerous organizations did not substantiate that they did anything more than provide a low rent option. No social ministry or poverty assistance was taking place. Remarkably, the state invited these organizations to

substantiate their ministry efforts so income lines connected to housing could be returned to nonprofit status.

Resistance, even animosity, is now a rising tide between taxing bodies and the tax exempt community. In the face of it, nonprofits are not effectively demonstrating their value. They do not seek advice nor make friends at city hall, county government offices or among zoning officials.

Yes, those offices are sometimes occupied by pompous control freaks who use political power as small

tyrants. But also yes, many nonprofit executives and congregational ministers are the same. If left to their ways, they will ruin the wonderful legacy of charitable generosity our continent enjoys.

—mark l. vincent

"Resistance, even animosity, is now a rising tide between taxing bodies and the tax exempt community."