EF-267-R14-1016-30000098-1
BOE-267 (P1) REV. 14 (10-16)

CLAIM FOR WELFARE EXEMPTION (FIRST FILING)

(For new locations and/or in-lieu of preprinted claim form BOE-267-A)

Claude Parrish
Orange County Assessor
Civic Center Plaza, Building 11
625 N. Ross Street, Room 142
P.O. Box 628
Santa Ana, CA 92702-0628
(714) 834-2779
www.ocgov.com/assessor

This claim is filed for fiscal year 20 ____ - 20 ____.
(Example: a claimant filing a timely claim in January 2017 would enter "2017-2018.")

LEGAL NAME OF ORGANIZATION

MAILING ADDRESS *(number and street)*

CITY, STATE, ZIP CODE

WEBSITE ADDRESS *(if any)* | CORPORATE OR LLC ID NO. *(if any)* | FEIN/EIN

CHECK ANY OF THE FOLLOWING ITEMS THAT HAVE BEEN CHANGED WITHIN THE LAST YEAR: ☐ MAILING ADDRESS ☐ ORGANIZATION NAME
☐ ORGANIZATION'S FORMATIVE DOCUMENT (an amendment to articles of incorporation, constitution, trust instrument, or articles of organization, etc.)

ORGANIZATIONAL CLEARANCE CERTIFICATE (OCC) NO:_____
Provide a copy of the certificate issued by the State Board of Equalization (Board) and a copy of the Finding Sheet issued by the Board.

If you do not have an OCC, have you filed a claim for an OCC with the Board?
☐ Yes ☐ No If No, see the instructions page for information regarding obtaining an OCC

PRIOR YEAR FILINGS
Has the organization filed for the welfare exemption on any property in this county in prior years? ☐ Yes ☐ No If Yes, state latest year filed: _____

1. IDENTIFICATION OF PROPERTY

a. ADDRESS OF PROPERTY *(number and street, including suite/unit number if applicable)*

CITY | ASSESSOR'S PARCEL/ASSESSMENT NUMBER

b. Is this a new location this year? ☐ Yes ☐ No c. When was the property put to exempt use (MM/DD/YYYY)?

d. Property owned by the claimant for which claimant seeks exemption (check applicable boxes):
☐ Real Property: ☐ Personal Property ☐ Taxable Possessory Interest
☐ Land ☐ Buildings and Improvements

2. REAL PROPERTY. If claiming an exemption on real property, provide:
a. Date property acquired (MM/DD/YYYY):

b. **Land**. Area in acres or square feet: | c. **Building and Improvements.** Building number or name, number of floors:

d. **Use**. Describe primary and incidental use of the property:

e. Real property leased, rented, or used by others (since January 1 of the prior year)
Is any portion of the real property identified under Section 1 used or operated part-time or full-time by some person or organization other than the claimant?
☐ Yes ☐ No If **Yes,** please submit BOE-267-O.

3. PERSONAL PROPERTY. If claiming an exemption on personal property, provide:
a. Description (type) of the property:

b. **Use**. Describe primary and incidental use of the property:

c. Personal property owned by the claimant that is leased, rented, or used by others (since January 1 of the prior year)
Is any portion of the personal property identified under Section 1 used or operated by another party?
☐ Yes ☐ No If **Yes**, attach a description of the property, its use, the name of the user, the amount received by you (if any), and a copy of the lease or agreement.

d. Equipment leased or rented from another person or organization (since January 1 of the prior year)
Is any portion of the equipment or other property at the location identified under Section 1 leased, rented, or consigned from another person or organization?
☐ Yes ☐ No If **Yes**, attach a list of the equipment and other property, description of property, and name of whom you lease/rent the property from. Property so listed is not subject to the exemption, and will be assessed by the Assessor if owned by a taxable entity. If owned by a tax exempt organization, the property may be eligible for the welfare exemption.

4. TAXABLE POSSESSORY INTEREST. If claiming an exemption on a taxable possessory interest, attach a copy of the current lease agreement and provide:
a. Name of the public owner (local, state, or federal agency) of the land, buildings, and/or improvements:

b. Description of the type of property that is leased from the public owner:

c. **Use**. Describe primary and incidental use of the property:

THIS DOCUMENT IS SUBJECT TO PUBLIC INSPECTION

EF-267-R14-1016-30000098

5. USE OF PROPERTY

a. **Operation of a store, thrift shop, or other facility** (since January 1 of the prior year)

(1) Is any portion of the property identified under Section 1 used to operate a store, thrift shop, or other facility that sells goods to members of the organization or to the general public?

☐ Yes ☐ No If **Yes**, (A) list the hours per week the business is operated and (B) describe the type of goods sold:

(2) Is the property used as a thrift shop as part of a planned, formal rehabilitation program?

☐ Yes ☐ No If **Yes**, submit BOE-267-R.

b. **Living quarters** (since January 1 of prior year)

Is any portion of the property identified under Section 1 used for living quarters (other than low-income or elderly or handicapped housing)?

☐ Yes ☐ No If **Yes**, describe that portion. Submit documentation that the housing is incidental to and reasonably necessary for the exempt purposes of the organization. If living quarters are associated with a rehabilitation program, submit BOE-267-R.

c. **Low-Income Housing**

Is any portion of the property identified under Section 1 used as low-income housing?

☐ Yes ☐ No If **Yes,** submit BOE-267-L if owned by a nonprofit organization or limited liability company; submit BOE-267-L1 if owned by a limited partnership.

d. **Elderly or handicapped Housing**

Is any portion of the property identified under Section 1 used as a facility for the elderly or handicapped?

☐ Yes ☐ No If **Yes**, submit BOE-267-H, unless care or services are provided or the property is financed by the federal government under, including but not limited to, sections 202, 231, 236, or 811 of the Federal Public Laws. Submit documentation on the type of financing or care/services provided.

6. UNRELATED BUSINESS TAXABLE INCOME

Is the property for which exemption is sought used for activities that produce income that is "unrelated business taxable income," as defined in section 512 of the Internal Revenue Code (IRC), and that is subject to the tax imposed by section 511 of the IRC?

☐ Yes ☐ No If **Yes**, attach each of the following:

1. The organization's information and tax returns filed with the Internal Revenue Service for the preceding fiscal year.
2. A statement setting forth the amount of time devoted to the organization's income producing and non-income producing activities, and, where applicable, a description of the portion of the property on which those activities are conducted.
3. A statement listing the specific activities which produce the unrelated business taxable income.
4. A statement setting forth the amount of income of the organization that is attributable to activities in the state and is exempt from income or franchise taxation, and the amount of total income of the organization that is attributable to activities in the state.

7. EXPANSION

Do you contemplate any capital investment in the property within the next year? ☐ Yes ☐ No If **Yes**, explain:

8. FINANCIAL STATEMENTS

Claimant must attach a copy of its operating statement (income and expenses) and balance sheet (assets and liabilities), which relate exclusively to the property identified under Section 1, for the calendar or fiscal year preceding the claim year.

9. OTHER - EXEMPT ACTIVITY AND USE

Please check all boxes that are applicable:

☐ The property is used for the actual operation of the exempt activity.

☐ The property is not used or operated by the owner or by any other person or organization so as to benefit any officer, trustee, director, shareholder, member, employee, contributor, or bondholder of the owner or operator, or any other person, through the distribution of profits, payment of excessive charges or compensations, or the more advantageous pursuit of the business or profession.

☐ The property is not used by the owners, operators, or members for fraternal or lodge purposes, or for social club purposes except where such use is clearly incidental to a primary religious, hospital, scientific, or charitable purpose.

Whom should we contact during normal business hours for additional information?

NAME	TITLE

DAYTIME TELEPHONE	EMAIL ADDRESS
( )	

CERTIFICATION

I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing and all information hereon, including any accompanying statements or documents, is true, correct, and complete to the best of my knowledge and belief.

SIGNATURE OF CLAIMANT	TITLE
▶	
NAME OF PERSON MAKING CLAIM	DATE

INSTRUCTIONS FOR CLAIM FOR WELFARE EXEMPTION (FIRST FILING)

EXEMPTION FROM PROPERTY TAXES UNDER SECTIONS 4(b) AND 5 OF ARTICLE XIII OF THE CONSTITUTION OF THE STATE OF CALIFORNIA AND SECTIONS 214, 254.5 AND 259.5 OF THE REVENUE AND TAXATION CODE

(See also sections 213.7, 214.01-214.1, 215.2, 221-222.5, 225.5, 231, 236, 254-254.6, 259.5, 261, and 270-272 of the Revenue and Taxation Code)

FILING OF CLAIM

A claim for the Welfare Exemption must be filed with the Assessor by the organization owning the property or, in the case where the real property is leased from a public owner (any local, state, or federal government agency), by the lessee organization having a taxable possessory interest[1] in the real property. Real property includes land and improvements. An officer or duly authorized representative of the organization filing the claim must sign the claim form. A separate claim form must be completed and filed for each property location for which exemption is being sought.

The organization filing the claim must provide information on all uses of the property, including information on use by other organizations or persons. Each claim must contain supporting documents, including financial statements.

ORGANIZATIONAL CLEARANCE CERTIFICATE

An organization seeking the Welfare Exemption shall file with the State Board of Equalization (Board) a claim for an Organizational Clearance Certificate (OCC). The Board reviews each claim to determine whether the organization meets the requirements of Revenue and Taxation Code section 214[2] and issues a certificate to claimants that meet these requirements. The Assessor may not approve a property tax exemption claim until the claimant has been issued a valid OCC. However, your organization may file a claim for exemption with the Assessor, even if the claimant has not yet received the certificate from the Board. If the claim is filed timely with the Assessor, the claim will be considered timely filed even if the claimant has not yet received the OCC from the Board.

To request an OCC, nonprofit organizations must file BOE-277 and limited liability companies must file BOE-277-LLC. These forms are available on the Board's website (www.boe.ca.gov) or by contacting the Exemptions Section at 1-916-274-3430.

RECORDATION REQUIREMENT

Section 261 requires that an organization claiming the Welfare Exemption for its real property must have recorded its ownership interest as of the lien date (12:01 a.m., January 1) in the recorder's office of the county in which the property is located. A claimant which, on the lien date has a **possessory interest in publicly owned land, owns water rights, or owns improvements on land owned by another** may in lieu of recordation file a copy of the document giving rise to that possessory interest or water rights or file a written statement attesting to the separate ownership of those improvements with the Assessor. Failure to establish the fact of such recordation to the Assessor constitutes a **waiver** of the exemption.

TIME FOR FILING

To receive the full exemption, the claimant must **file a claim each year on or before February 15**. Only 90 percent of any tax or penalty or interest thereon may be canceled or refunded when a claim is filed between February 16 of the current year and January 1 of the following calendar year; if the application is filed thereafter, only 85 percent of any tax or penalty or interest thereon may be canceled or refunded. (For real property acquired after the January 1 lien date, to receive full exemption, the claim must be filed within 90 days from the first day of the month following the month in which the property was acquired, or by February 15 of the following calendar year, whichever occurs earlier. Refer to section 271.) The combined tax, penalty and interest may not exceed $250.

BOARD-PRESCRIBED FORMS REFERENCED ON THE CLAIM FORM AND IN THE INSTRUCTIONS

BOE-267-A, *20___ Claim For Welfare Exemption (Annual Filing)*

BOE-267-H, *Welfare Exemption Supplemental Affidavit, Housing – Elderly Or Handicapped Families*

BOE-267-L, *Welfare Exemption Supplemental Affidavit, Housing – Lower Income Households*

BOE-267-L1, *Welfare Exemption Supplemental Affidavit, Low-Income Housing Property Of Limited Partnership*

BOE-267-O, *Welfare Exemption Supplemental Affidavit, Organizations And Persons Using Claimant's Real Property*

BOE-267-R, *Welfare Exemption Supplemental Affidavit, Rehabilitation – Living Quarters*

BOE-277, *Claim For Organizational Clearance Certificate – Welfare Exemption*

BOE-277-LLC, *Claim For Organizational Clearance Certificate – Welfare Exemption – Limited Liability Company*

ADDITIONAL INFORMATION

In accordance with Revenue and Taxation Code section 254.5(b)(2), the assessor may institute an audit or verification of the property's use to determine whether both the owner and user of the property meet the requirements of Revenue and Taxation Code section 214.

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[1] A taxable possessory interest is defined as the taxable interest held by a private possessor in publically owned real property. (See Assessors' Handbook, Section 510, *Assessment of Taxable Possessory Interests* (Dec. 2002), page 1.)

[2] All further statutory references are to the Revenue and Taxation Code, unless otherwise specified.

COMPLETION OF CLAIM FORM

All questions must be answered. Failure to answer all questions and provide requested information may result in denial of your claim. Use "not applicable" where needed. The following information is provided to assist you in answering specific questions on your claim.

The fiscal year for which exemption is being sought must be entered correctly. The proper fiscal year follows the lien date (12:01 a.m., January 1) as of which the taxable or exempt status of the property is determined. For example, a person filing a timely claim in February 2017 would enter "2017-2018"; a "2016-2017" entry on a claim filed in February 2017 would signify that a late claim was being filed for the preceding fiscal year.

Section 1. IDENTIFICATION OF PROPERTY

Identify the situs location (address and city) and Assessor's Parcel/Assessment Number of the property owned for which you are seeking exemption; when the property was put to exempt use; and check the appropriate box(es) to indicate type(s) of property. Claimant is responsible for completing sections 2 through 4 depending on which box(es) are checked under section 1(d). Refer to P3 for the definition of real property and taxable possessory interest. Personal property is defined as all property except real property, such as office furniture, computers, and equipment.

Section 2. REAL PROPERTY

Complete only if "Real Property" was checked under Section 1(d).

- **(a)** If the exemption is being claimed for real property, enter the date on which the property was acquired.
- **(b)** Indicate the area and the unit of measurement used (acres or square feet).
- **(c)** List all buildings and improvements on the land, using additional sheets if necessary.
- **(d)** Describe the primary use which should qualify the property for exemption and the incidental use(s) of the property since January 1 of the prior year.
- **(e)** If **Yes**, submit BOE-267-O, to provide information on every user of your real property.

Section 3. PERSONAL PROPERTY

Complete only if "Personal Property" was checked under section 1(d).
Describe the type of personal property, and the primary use and incidental use(s) of the property since January 1 of the prior year. If yes to (c) or (d), then provide requested information.

Section 4. TAXABLE POSSESSORY INTEREST

Complete only if "Taxable Possessory Interest" was checked under section 1(d).
Attach a copy of the current lease agreement, identify the public owner (local, state, or federal agency) of the publically owned land, buildings and/or improvements, and describe the type of property that is leased from the public owner.

Section 5. USE OF PROPERTY

- **(a)(1)** If **Yes**, describe in sufficient detail to determine the volume of business and the hours open for business since January 1 of the prior year. If a business operation located on the listed parcel has been deliberately omitted because you do not desire the exemption on the business, so state.
- **(a)(2)** If **Yes,** submit BOE-267-R.
- **(b)** If **Yes**, describe the portion of the property used for living quarters. Submit documentation, including tenets, canons, or written policy, that indicates the organization requires housing be provided to employees and/or volunteers. Include a statement as to why such housing is incidental to and reasonably necessary for the exempt purpose of the organization and the occupant's role or position in the organization. (This question is not applicable where the exempt activity is providing housing, for example, homes for aged, youth, or mentally or physically disabled.) If living quarters are associated with a rehabilitation program, submit BOE-267-R.
- **(c)** If **Yes**, submit BOE-267-L if owned by a nonprofit organization or limited liability company; submit BOE-267-L1 if owned by a limited partnership.
- **(d)** If **Yes**, submit BOE-267-H, unless care or services are provided or the property is financed by the federal government under, including but not limited to, sections 202, 231, 236, or 811 of the Federal Public Laws. Submit documentation on the type of financing or care/services.

Section 6. UNRELATED BUSINESS TAXABLE INCOME

If **Yes,** provide the documents and other information requested.

Section 7. EXPANSION

If **Yes**, describe the type of investment contemplated and the reasons that make such expansion necessary.

Section 8. FINANCIAL STATEMENTS

Submit the financial statements reflecting the operation of the subject property. The income and expenses should include only those that result from operation of the property. If compensation of personnel or other administrative expenses are pro-rated to the property, such pro-rata should be indicated. If the nature of an item of income or expense is not clear from the account name, further explanation indicating the nature of the account should be appended. **Your claim will not be processed until the financial statements are received by the Assessor.**

Section 9. OTHER – EXEMPT ACTIVITY AND USE

Check the appropriate boxes to indicate the requested information.