



July 6, 2009

Mr. Mark Mazur
Administrative Assessor
Town of Sharon
90 South Main St.
Sharon, MA 02067

Re: "Parsonage" Exemption
Our File No. 2009-873

Dear Mr. Mazur:

You have requested our opinion on whether a residential dwelling and house lot owned by a religious organization qualifies for exemption as a "parsonage" under G.L. c. 59, § 5, Clause Eleventh. Until December, 2007, the house was occupied by a clergyman who was in charge of religious services at a "house of worship" for purposes of the Clause Eleventh exemption for "parsonages", and accordingly received a tax exemption for Fiscal Year 2008. At some point prior to July of 2008 the clergyman vacated the residence and ceased his activities as officiant at the "house of worship" of the religious organization. Nevertheless, the family of the clergyman has stayed on at the residence. For fiscal year 2009 the residence was deemed not to be an exempt "parsonage" and subjected to tax. The situation has persisted into July of 2009, and a preliminary decision has been again taken to tax the residence for fiscal year 2010. Nevertheless, the religious organization has indicated that a search for a new clergyman to officiate at its "house of worship" is underway, and that they expect the residence to be occupied by the incoming clergyman in the future; with the former clergyman's family vacating at that time. An application for exemption is likely to be forthcoming in accordance with the deadlines for fiscal year 2010.

The Commissioner of Revenue does not determine the status of property for local tax purposes. Property taxes in Massachusetts are assessed and collected by cities and towns, not by the state. The Board of Assessors of the Town of Sharon, as the local tax administrator, has the sole power to determine whether the residence owned by the religious organization or any real property located within the town is taxable or exempt. However, we do offer the following advisory comments about the application of the Clause Eleventh exemption for "parsonages."

The term "parsonage" was construed by the Supreme Judicial Court in the case of *Assessors of Boston v. Old South Society in Boston*, 314 Mass. 364, 366 (1943):

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[W]e think that . . . the 'English word parsonage' as derived from American usage must be read, not in a technical or ecclesiastical sense, but in the broad meaning of a ministerial residence used in connection with any place of worship of any denomination. It is but a house owned by, or held in trust for, a religious organization for religious uses in which a minister serving those uses lives. . . . The word 'parsonage' is commonly used to denote a residence furnished by a church to a minister. [Citations omitted.]

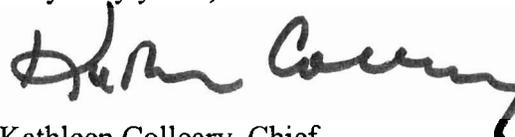
In *Worcester District Stewards v. Assessors of Worcester*, 32 1 Mass. 482,486 (1 947), the Court held that the term "parsonage" did not cover the residence of a Methodist Episcopal district superintendent. The Court reasoned that "the occupant of the property in question, although a minister and having supervisory powers of very many churches in the district of which he was superintendent, was not the incumbent as a minister of any of them." *Id. Old South Society in Boston* and *Worcester District Stewards* establish that a "parsonage" eligible for exemption must be occupied by a clergyperson who ministers to a congregation that assembles for religious services in a "house of worship." It is insufficient that a residence is occupied by an officer of a religious organization, unless the residence is otherwise made expressly exempt by the plain language of Clause Eleventh.

July 1, at the beginning of the fiscal year, is the date on which the eligibility of property for exemption under G.L. c. 59, § 5 must be determined. Nevertheless, a residence may retain its exempt status though not occupied on that date by a clergyperson officiating at a "house of worship," provided that the property has been used as a "parsonage" in the past and is intended to be so used after a brief period of transition between ministers.

In the example you describe, a determination must be made as to whether the use of residence on July 1, 2009 was consistent with occupancy by a clergyperson officiating at religious services in a "house of worship," notwithstanding a temporary period of transition. We assume that none of the former clergyperson's family have ever performed duties which would amount to leading services at the "house of worship." The question for your decision is whether the ongoing non-qualifying use of the residence precludes exempt status as a "parsonage" for this fiscal year.

We do not address the possibility that the residence may be exempt under G.L. c. 59, § 5, Clause Third, as housing occupied by an employee of a charitable organization as a condition of his/her employment. Please do not hesitate to contact us if we can be of further assistance.

Very truly yours,



Kathleen Colleary, Chief
Bureau of Municipal Finance Law

KC: DG