



**S.B. 52**

126th General Assembly  
(As Introduced)

**Sens. Roberts, Brady, Fedor**

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**BILL SUMMARY**

- Exempts from taxation real property held or occupied by certain fraternal organizations and used primarily for their meetings and administration.

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**CONTENT AND OPERATION**

**Real property tax exemption for fraternal organizations**

(R.C. 5709.17(D); Section 3)

The bill exempts from real property taxation real estate held or occupied by a fraternal organization and used primarily for its meetings and administration. This exemption applies to tax years beginning on or after January 1, 2006. The bill defines "fraternal organization" as a domestic fraternal society, order, or association operating under the lodge, council, or grange system that qualifies for exemption from taxation under subsection 501(c)(5), 501(c)(8), or 501(c)(10) of the Internal Revenue Code, has been operating in the state with a state governing body for at least 100 years, and provides financial support for charitable purposes as described in the following paragraph.<sup>1</sup>

The charitable purposes recognized by the bill are the (1) relief of poverty, (2) improvement of health through the alleviation of illness, disease, or injury, (3) operation of an organization exclusively for the provision of professional, laundry,

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<sup>1</sup> A 501(c)(5) entity is a labor, horticultural, or agricultural organization; a 501(c)(8) entity is a fraternal beneficiary society, order, or association that operates under the lodge system and provides life, sick, accident, or other benefits to its members or their dependents; and a 501(c)(10) entity is a domestic fraternal society, order, or association operating under the lodge system, the net earnings of which are devoted exclusively to religious, charitable, scientific, literary, educational, and fraternal purposes and which does not provide for the payment of life, sick, accident, or other benefits.

printing, and purchasing services to hospitals or charitable organizations, (4) operation of a home for the aged, (5) operation of a radio or television broadcasting station licensed by the Federal Communications Commission as a noncommercial educational radio or television station, (6) operation of a nonprofit animal adoption service or county humane society, (7) promotion of education by an institution of learning that maintains a faculty of qualified instructors, teaches regular continuous courses of study, and confers a recognized diploma upon completion of a specific curriculum, (8) operation of a parent-teacher association, booster group, or similar organization primarily engaged in the promotion and support of the curricular or extracurricular activities of a primary or secondary school, (9) operation of a community or area center in which presentations in music, dramatics, the arts, and related fields are made in order to foster public interest and education, (10) production of performances in music, dramatics, and the arts, and (11) promotion of education by an organization engaged in carrying on research in, or the dissemination of, scientific and technical knowledge and information primarily for the public (R.C. 5739.02(B)(12)--not in the bill).

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## HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	02-08-05	p. 157

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