



STATE TAX COMMISSION OF MISSOURI

LANDMARK TOWERS)
AFFORDABLE LLC,)
)
Complainant,)
) Appeal No. 23-32038
v.) Locator No. 14316000201100
)
TRACY BALDWIN, ASSESSOR,)
CLAY COUNTY, MISSOURI,)
)
Respondent.)

DECISION AND ORDER

Landmark Towers Affordable, LLC, (Complainant) appeals the Clay County Board of Equalization's (BOE) decision that affirmed the determination of the Clay County Assessor that the subject property did not qualify for exemption from personal and real property tax as of January 1, 2023. Complainant alleges that the activities of Complainant meet the requirements for exemption as provided in Missouri Constitution, Art. 10, Section 6 and Missouri Revised Statute Section 137.100.

Complainant is represented by counsel Kristen E. Sanocki. Respondent is represented by counsel, Lucas Wallingford. The parties knowingly waived their rights to an evidentiary hearing and submitted a Joint Stipulation of Facts in lieu of a hearing to facilitate an expedited decision in this matter. The stipulated facts are set out below. The only issue to be resolved is whether the subject property meets the requirements of the "owned and operated on a not-for-profit basis as

set out by the courts in *Franciscan Tertiary Prov. of Mo., Inc. v. State Tax Comm'n*, 566 S.W.2d 213, 244 (Mo. Banc 1978) and whether the use of the property is consistent with the requirements of Section 137.100(5) RSMo and Missouri case law as to that aspect of the test.

The following Exhibits are received:

Exhibit #	Description
1	Landmark Towers' 2023 Application for Tax Exemption
2	May 11, 2023 letter from Clay County, MO denying Application
3	August 18, 2023 Clay County, MO BOE "No Change" Decision

FINDINGS OF FACT

I. The Appeal

1. On March 10, 2023, Landmark Towers submitted its 2023 Application For Tax Exempt Status for the Property to the Clay County Assessor's Office (the "**2023 Application**").

Exhibit 1.

2. Landmark Towers stated that the Property was exempt from Missouri property tax under Article X, Section 6 of the Missouri Constitution of 1945 and Section 137.100(5), RSMo. 2000. *See* Ex. 1, pp. 1-5, 67-69.

3. Landmark Towers submitted true and accurate copies of the following documents with the 2023 Application, all of which are incorporated herein by reference:

- a. Landmark Towers' Ownership Organizational Chart;
- b. Landmark Towers Articles of Organization;
- c. Landmark Towers Operating Agreement;
- d. Dogwood Housing, Inc. Articles of Incorporation;

- e. Dogwood Housing, Inc. Amended and Restated Bylaws;
- f. Dogwood Housing, Inc. Certificate of Authority;
- g. Dogwood Housing, Inc. IRS Code Section 501(c)(3) Determination Letter;
- h. Landmark Towers Income Statement;
- i. Dogwood Housing, Inc. 2021 Form 990;
- j. Dogwood Housing, Inc. 2020 Form 990;
- k. Statement in Support of Exemption; and
- l. Section 8 Housing Rent Rolls. *See generally*, Ex. 1.

4. On May 11, 2023, the Assessor sent a letter, **Exhibit 2**, denying Landmark Towers' 2023 Application. The letter stated that “[t]he current ownership of the property prohibits us from listing the property as tax exempt because this indicates that the property is owned by a limited liability company.” Ex. 2.

5. On June 26, 2023, Landmark Towers submitted an appeal of the Property's classification to the Clay County Board of Equalization.

6. On August 18, 2023, the Clay County Board of Equalization issued its “no change” decision, **Exhibit 3**. Landmark Towers' complaint to the State Tax Commission of Missouri followed.

7. On July 17, 2024, the parties filed a Joint Motion For Submission Record, Waiver of Oral Evidence Hearing and Stipulation of *Franciscan* Test Factors with the State Tax Commission. The parties stipulated that the use of the subject property in this appeal would otherwise qualify as an exempt use with the sole exception of the “owned and operated on a not-for-profit basis” prong of the three-prong test laid out in *Franciscan Tertiary Prov. of Mo., Inc. v. State Tax Comm'n*, 566 S.W.2d 213, 224 (Mo. banc 1978). The parties also stipulated that the

issue to be determined in this appeal is whether the use of the property is consistent with the requirements laid out in § 137.100(5) RSMo and Missouri case law as to that aspect of the test.

II. The Property

8. This appeal concerns real property located at 1203 College Street, Liberty, Missouri 64068 (the “**Property**”). *See Ex. 1, pp. 1, 3, 67.*

9. The Property is identified by Locator Number 14316000201100. *See Ex. 1, pp. 1, 3.*

10. The Property is a multifamily elderly Section 8 housing apartment complex consisting of 65 units, 4 of which are handicap units. *See Ex. 1, pp. 3, 4, 67, 70-82.*

11. The apartments are leased to low-income individuals under a Section 8 project-based housing assistance payments contract with the United States Department of Housing and Urban Development. The Property is exclusively leased to low-income individuals who must qualify with certain area median income. *See Ex. 1, pp. 12, 67-69, 70-82.*

12. The Property is owned by Landmark Towers. *See Ex. 1, pp. 1, 3, 7, 67.*

13. Landmark Towers acquired the property on March 9, 2022. *See Ex. 1, p. 67.*

14. Landmark Towers is a limited liability company organized under the laws of the State of Missouri and operates under the following purpose statement:

Section 1.3. Company Purpose. The Company is organized exclusively for charitable and educational purposes relating to the fostering preservation and rehabilitation of affordable rental housing for persons of low-income and moderate-income, including, for such purposes, the making of distributions to organizations which qualify as exempt organizations under section 501 (c)(3) of the Code, or the corresponding section of any future United States internal revenue law. In pursuance of the foregoing purposes, the Company shall adopt and implement the charitable purposes of its sole member, Dogwood Housing, Inc., a Maryland non-profit corporation formerly known as Londonderry Housing, Inc. (“DHI”). DHI is exempt from federal income tax as an organization described in section 501(c)(3) of the Code, and is classified by the Internal Revenue Service as a supporting organization under Code Section 509(a)(3) for the National Foundation for

Affordable Housing Solutions, Inc., a District of Columbia nonprofit corporation that is tax exempt pursuant to Code Section 501(c)(3) (“NFAHS”). DHI is operated exclusively to further the charitable purposes of NFAHS, which it accomplishes through the acquisition, development, rehabilitation, ownership and operation of affordable housing for low and moderate income persons and families. Therefore, in furtherance of the Company's purposes and in support of the charitable purposes of both DHI and NFAHS, this Company shall develop, acquire and own real estate, participate with other entities involved in the same, and charitably own, rehabilitate, operate and maintain an apartment project for low-income family households located in Liberty, Missouri known as Landmark Towers Apartments. The Company has the authority and shall exercise powers now or hereafter conferred by laws of the State of Missouri on limited liability companies pursuant to the Act and shall transact lawful business in accordance with the Act. The Company shall do any and all things necessary, convenient or incidental to achievement of the foregoing charitable purposes.

See Ex. 1, pp. 7, 9, 12.

15. The distribution provisions in Landmark Towers’ operating agreement state that distributions of income and assets shall be made to the Member. *See Ex. 1, pp. 16-17.*

16. Dogwood Housing, Inc. (f/k/a Londonderry Housing, Inc) (“**Dogwood**”) is the sole owner and member of Landmark Towers. *See Ex. 1, p. 7, 10, 12, 21.*

17. Dogwood is a Maryland non-profit corporation. *See Ex. 1, pp. 7, 10, 12-13, 20, 34, 57-58, 60-63, 67-68.*

18. Dogwood is registered in Missouri as a non-profit corporation. *See Ex. 1, pp. 57-58.*

19. Dogwood is exempt from tax and organized under Sections 501(c)(3) and 509(a)(3) of the Internal Revenue Code. *See Ex. 1, pp. 7, 10, 12-13, 60-63, 67-68.*

20. Dogwood operates exclusively for charitable purposes. *See Ex. 1, pp. 7, 10, 12-13, 60-63, 67-68.*

21. Dogwood carries out the purposes of and operates for the benefit of the National Foundation for Affordable Housing Solutions, Inc. (the “**Foundation**”). *See Ex. 1, pp. 12, 67.*

22. The Foundation is a District of Columbia non-profit charitable organization and public charity. *See* Ex. 1, pp. 12, 67.

23. The Foundation is exempt from tax and organized under Sections 501(c)(3) of the Internal Revenue Code. *See* Ex. 1, pp. 12, 67.

24. Landmark Towers has adopted the charitable purposes of its sole member, Dogwood. *See* Ex. 1, pp. 10-57, 67.

25. Landmark Towers is a disregarded entity for federal income tax purposes and is treated as a division of Dogwood Housing, Inc. *See* Ex. 1, pp. 67-69.

26. During the relevant period, no income, profits, revenues, or assets of Landmark Towers have been distributed to any private individual or corporation. *See* Ex. 1, pp. 16-17, 67-69.

27. All profits, revenues, and assets of Landmark Towers have been used in accordance with Landmark Towers' company purpose, as stated in its operating agreement, and such company purpose includes Landmark Towers being organized exclusively for charitable purposes and adopting and implementing the charitable purposes of Dogwood. *See* Ex. 1, pp. 10-57, 67-69.

2. Assessment and Valuation. The BOE classified the subject property as commercial with an appraised value of \$2,707,500 and assessed value of \$541,430. Complainant's sole contention is that the property is exempt because of the charitable activities of the organization and is not contesting the value of the property.

3. Classification and Value. The activities of Complainant meet the requirements for exemption as provided in Missouri Constitution, Art. 10, Section 6 and Missouri Revised Statute Section 137.100. The BOE decision is set aside.

ANALYSIS

In Missouri exemption from taxation is the exception and is analyzed according to Missouri Revised Statute Section 137.100 and the applicable case law. The Missouri Supreme Court in *Franciscan* set out a three-pronged test to determine whether a property should be exempt from taxation. The parties have stipulated that two of the prongs have been met, leaving only the prong that requires that the property must be owned and operated on a not-for-profit basis. The facts in this appeal require further analysis into (1) whether a Limited Liability Company (LLC) can qualify for exempt status, and, if so, (2) does the LLC in this appeal meet the requirements for exemption?

MAY AN LLC QUALIFY FOR TAX EXEMPT STATUS

In support of its position that an LLC may not qualify for tax exempt status the Respondent sets out the standard of strict construction for tax exemption as the Court described in *Ben Hur Steel Worx, LLC v. Dir. Of Rev.*, 452 S.W.3d 624, 626 (Mo. banc 2015). “Strict construction means that a statute can be given no broader application than is warranted by its plain and unambiguous terms.” *KCP&L Greater Mo. Op. v. Cook*, 353 S.W.3d 14, 20 (Mo. App. W.D. 2011).

To counter the standard of strict construction the Complainant points out that the decision in *Franciscan* has been clarified in later decisions including the decision in *Pentecostal Church of God v. Hughlett*, 737 S.W.2d 728 (Mo banc 1987). *Pentecostal Church* dealt with a low-income housing project through HUD, similar to the one in this appeal. In *Pentecostal Church* the owner of the building had taken out a 40 year mortgage on the property, which, when the 40

year term was complete, the owner would own the property free of debt and free from the requirements of HUD. In *Pentecostal Church*, the Court stated:

Franciscan was a seminal case which established the provision of housing for aged and handicapped persons who are unable to bear the full cost is a charitable purpose, so that property used exclusively for that purpose is exempt from ad valorem taxation. (at 729)

The taxing authorities argue that there is no assurance that the property will be used for charitable purposes after the plaintiff acquires full title in 40 years. The answer is twofold. The plaintiff is a charitable corporation qualified as tax exempt under Section 501(c)(3) of the Internal Revenue Code. Its charter provisions limit the uses which may be made of its property. If, in the future, it should depart from a valid charitable purpose, the authorities could return the property to the tax rolls. (at 730)

Franciscan was designed to give general approval to housing projects for the elderly and handicapped. It should not be read grudgingly. (at 730)

While strict construction is generally the standard, the Court appears to have softened that standard significantly for housing for aged and handicapped persons as set out in *Pentecostal Church*. The decision of *Pentecostal Church* is specific to housing for aged and handicapped, which is the subject of this appeal; therefore, it will be applied rather than the general rule for tax exemption set out in *Ben Hur*.

Complainant additionally cites two former appeals of the State Tax Commission to support its claim that an LLC may be treated as a tax exempt organization, *Maries Manor LLC v. Judy Logan, Maries County Assessor*, STC Appeals 06-69000 and 06-69001, (*Maries Manor*); and *Saint Luke's Health System, Inc. v. Gail McCann-Beatty, Jackson County Assessor*, STC Appeal 19-30340, (*St. Luke's*).

The Missouri Supreme Court clarified that administrative agency decisions are not from courts of law and are not precedential in *Cent. Hardware Co. v. Dir. Of Revenue*, 887 S.W.2d 593, 596 (Mo. banc 1994). Prior STC decisions and orders provide guidance but are not binding,

so long as the current decision is not otherwise unreasonable or unlawful. *Laclede Gas v. Mo Pub. Serv. Comm'n*, 526 S.W.3d 245, 252 (Mo. App. W.D. 2017).

The issue in *Maries Manor* was directly on point as the taxing authority argued that property owned by an LLC could not be exempt. The hearing officer in that appeal found that the subject property was owned and operated on a not-for-profit basis; that it was unconditionally dedicated to a charitable use; and that the dominant use of the property benefits an indefinite number of people and benefits society directly and indirectly. The hearing officer found that even though the owner of the property was an LLC, the LLC had as a sole member and owner a charitable corporation.

The facts of the *Maries Manor* Decision differ from the subject appeal as it is apparent that there are at least three instances in the wording of the Articles of Organization or Operating Agreement of the LLC in *Maries Manor* that were more restrictive than the terms of the Operating Agreement in the subject appeal. These instances are:

The limited liability company is organized exclusively for charitable, educational, religious, or scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, including acquiring, developing, maintaining, operating, leasing and managing skilled and intermediate long-term nursing facilities and adult congregate residential facilities for the elderly on behalf of Eden Heritage Foundation . . .

In the event of liquidation, dissolution or termination of Complainant for any reason, the managing member (Eden Heritage Foundation) shall, after paying or making provision for the payment of all liabilities of the LLC dispose of all of the assets of the LLC exclusively for purposes of the LLC in such a manner or to such organization or organizations organized and operated, exclusively for charitable, educational, religious or scientific purposes and shall at the time qualify as an exempt organization . . .

There is one member of the Complainant, Eden Heritage Foundation, a Missouri not-for-profit corporation and there is not provision for any additional members.

Complainant's Articles of Organization do not reflect any charitable purpose. The existence of an entity pursuant to laws applicable to for profit corporations raises an inference that it is a corporation organized for pecuniary gain, which inference is subject to rebuttal. *Nania v. Sunset Country Club*, 870 S.W.2d 459, 462. Complainant's Operating Agreement does reflect and adopt the charitable purpose of its member. Complainant's Operating Agreement has provision for additional Members and a restriction that any additional members also be qualified as charitable organizations. The Operating Agreement of an LLC may be amended at any time by its Member, therefore, the provisions limiting the LLC to charitable use and purpose could be eliminated at any time. In accordance with the Court's determination in *Pentecostal Church*, *infra*, if, in the future, the LLC should depart from a valid charitable purpose, the authorities could return the property to the tax rolls. This finding suggests that the current use of the property is what is controlling, not the possible future use of the property. This is further supported by the Court in *Osage Water v. Miller County Water Auth*, 950 S.W.2d 569, 574 in which the Court focused on what the entity actually does to determine what it is.

Respondent argues that an LLC cannot be recognized as a nonprofit corporation for the purposes of exemption from ad valorem taxes. Respondent refers to RSMo 347.187 as the legislature's determination of the purposes for which a limited liability company may be "disregarded". RSMo 347.187 reads as follows:

347.187 Classification for purposes of taxation – treatment.

1. A limited liability company created pursuant to section 347.010 to 347.187 or entering the state pursuant to sections 347.010 to 347.187 and its authorized persons, or their equivalent, shall have the duty to withhold and pay such taxes as are imposed by the laws of this state or any political subdivision thereof on a basis consistent with such limited liability company's classification pursuant to Section 7701 of the Internal Revenue Code of 1986, as amended.

2. Solely for purposes of chapter 143, chapter 144, and chapter 288, a limited liability company and its members shall be classified and treated on a basis consistent with the limited liability company's classification for federal income tax purposes.

Respondent argues that Paragraph 2 sets out when an LLC may be treated as a disregarded entity only under the chapters specified and that the specific chapters delineated do not include chapter 137 which determines charitable exemptions. Respondent concedes that the STC decision in *Maries Manor*, infra. rejected this argument, however, STC decisions are guidance but are not binding precedent for later decisions. The rationale in *Maries Manor* was that because the LLC was a disregarded entity under Federal tax laws, the hearing officer determined that the LLC and its Non-Profit sole member should be treated as a single not-for-profit entity. It appears that Paragraph 1 of RSMo 347.187 imposes a duty on the LLC to withhold and pay such taxes . . . consistent with such limited liability company's classification pursuant to Section 7701 of the Internal Revenue Code of 1986, as amended. It would, therefore, seem consistent that if the Internal Revenue Code classifies the LLC as a disregarded entity with the duties of a disregarded entity imposed upon it, that it should be treated as a disregarded entity. Whether the analysis is looking to what the activities of the entity actually are, or that the LLC and the charitable entity that is the sole member should be treated as one entity, or since the LLC is treated as a disregarded entity by the Internal Revenue Code, that it qualifies as a disregarded entity under 347.187(1); the answer is the same, an LLC can qualify as a charitable organization.

Lastly, Complainant's reliance upon *St. Luke's* is misplaced. The property in that appeal was owned by Saint Luke's Health System, Inc., a Kansas non-profit corporation which leased the offices to various other entities which provided healthcare related services. Nine of the entities were non-profits wholly owned by St. Luke's and two non-affiliated entities. The issue

was whether the lease to non-affiliated entities, the tax status of which was unknown, disqualified the entire property from an exemption. The hearing officer found that the property leased to the wholly owned affiliated entities was exempt and the remaining portion of the property was not exempt. This is not analogous to the facts in this appeal.

THE LLC AT ISSUE MEETS THE REQUIREMENTS FOR TAX EXEMPT STATUS

Complainant agrees that it has the burden to present substantial and persuasive evidence to rebut the presumption that the decision of the BOE is correct.

Complainant argues that the subject property is owned and operated on a not-for-profit basis and, therefore, satisfies this prong of the *Franciscan* test. The first argument is that Landmark Towers is a disregarded entity, and its sole member is a charitable corporation with a 501(c)(3) determination letter. To support this position The second argument is that the use of the property as an apartment complex for low-income individuals under a project-based housing assistance payments contract with HUD, qualifies as operating on a not-for-profit basis.

Complainant maintains that Landmark Towers, LLC (Landmark) meets the requirements for the exemption. Landmark is a disregarded entity which is solely owned by Dogwood Housing, Inc. (Dogwood) and that Dogwood is the sole member. Dogwood is a not-for-profit corporation and has been recognized under Section 501(c)(3) and 509(a)(3) of the Internal Revenue Code as a tax-exempt public charity. Complainant argues that Landmark is organized solely for charitable and educational purposes and has bound itself to implement the charitable mission of its sole member, Dogwood. However, the Articles of Organization that were filed with the Missouri Secretary of State do not reflect any charitable purpose or requirement, listing

its purpose as: Preservation and rehabilitation of affordable rental housing. (Exhibit 1, page 8). The Operating Agreement of the LLC contains what appear to be standard provisions for LLCs in Missouri until Section 1.3 in which the Operating Agreement states the charitable purpose of the LLC.

Complainant's final argument is that because the property has a project-based housing assistance payments contract with HUD to provide housing to low income individuals, it qualifies to be exempt. Under the terms of the contract, Complainant leases exclusively to low-income individuals who must qualify with certain area median income. This provides housing for these individuals that would otherwise be unaffordable and unavailable. As set out by the Court's decision in *Pentecostal Church*, the provision of housing for aged and handicapped persons who are unable to bear the full cost is a charitable purpose, so that property used exclusively for that purpose is exempt from ad valorem taxation.

Respondent's argument is that even if an LLC could be recognized as tax exempt, Landmark Towers Affordable LLC should not qualify for an exemption because of the terms of its Articles of Organization/Operating Agreement are inconsistent or at the very least could be inconsistent with the charitable purposes of the organization and the charitable use of the property. Respondent's arguments are logical and pragmatic, however, based upon the analysis of the Court in *Pentecostal Church*, it certainly appears that the Courts have determined that it is the current use of the property that determines whether or not its use qualifies for exemption, not provisions that may come into play under a different set of circumstances or at some future juncture.

CONCLUSIONS OF LAW

1. Evidence. The hearing officer is the finder of fact and determines the credibility and weight of the evidence. *Kelly v. Mo. Dep't of Soc. Servs., Family Support Div.*, 456 S.W.3d 107, 111 (Mo. App. W.D. 2015). "Although technical rules of evidence are not controlling in administrative hearings, fundamental rules of evidence are applicable." *Mo. Church of Scientology v. State Tax Comm'n*, 560 S.W.2d 837, 839 (Mo. banc 1977).

2. Charitable Exemption: Article X, section 6 of the Missouri Constitution provides "all property, real and personal, not held for private or corporate profit and used exclusively . . . for purposes purely charitable . . . may be exempted from taxation by general law."

Consistent with this constitutional provision, Section 137.100(5) exempts from taxation:

All property, real and personal, actually and regularly used exclusively for religious worship, for schools and colleges, or for purposes purely charitable and not held for private or corporate profit, except that the exemption herein granted does not include real property not actually used or occupied for the purpose of the organization but held or used as investment even though the income or rentals received therefrom is used wholly for religious, educational or charitable purposes[.]

To obtain a charitable exemption, the taxpayer must show the property: (1) is "owned and operated on a not-for-profit basis so that there can be no profit, presently or prospectively, to individuals or corporations;" (2) "dedicated unconditionally to the charitable activity" per the definition of "charity" set forth in *Salvation Army v. Hoehn*, 188 S.W.2d 826, 830 (Mo. Banc 1945); and (3) that "the dominant use of the property must be for the benefit of an indefinite number of people" and directly or indirectly benefits society generally. *Sunday School Bd. Of the Southern Baptist Conv. V. Mitchell*, 658 S.W.2d 1, 5 (Mo. Banc 1983) (citing *Franciscan Tertiary Province of Missouri. Inc. v. State Tax Comm'n*, 566 S.W.2d 213 (Mo. Banc 1978)),

(hereinafter “*Baptist Bookstore*”). The Court thus made it clear that the language of the charitable exemption provisions “makes the use of the property the focus of the exemption” and that the “general nature of owning organization—other than that it is not-for-profit—cannot be said to determine whether the use of the particular property is charitable or not.” *Franciscan*, 566 S.W.2d at 223.

3. Complainant's Burden of Proof. The taxpayer bears the burden of proof and must show by substantial and persuasive the evidence that the property was exempt. The BOE’s classification of the subject property is presumptively correct. *Rinehart v. Bateman*, 363 S.W.3d 357, 367 (Mo. App. W.D. 2012). The "taxpayer may rebut this presumption by presenting substantial and persuasive evidence." *Id.* (internal quotation omitted). "Substantial evidence is that evidence which, if true, has probative force upon the issues, and from which the trier of fact can reasonably decide the case on the fact issues." *Savage v. State Tax Comm'n*, 722 S.W.2d 72, 77 (Mo. banc 1986) (internal quotation omitted). Evidence is persuasive when it has "sufficient weight and probative value to convince the trier of fact." *Daly v. P.D. George Co.*, 77 S.W.3d 645, 651 (Mo. App. E.D. 2002); *see also White v. Dir. of Revenue*, 321 S.W.3d 298, 305 (Mo. banc 2010) (noting the burden of persuasion is the "party's duty to convince the fact-finder to view the facts in a way that favors that party").

4. Complainant Produced Substantial and Persuasive Evidence of Misclassification.

As set out above in the Analysis section, in the *Pentecostal Church* decision, the Court stated:

Franciscan was a seminal case which established the provision of housing for aged and handicapped persons who are unable to bear the full cost is a charitable purpose, so that property used exclusively for that purpose is exempt from ad valorem taxation. (at 729).

The taxing authorities argue that there is no assurance that the property will be used for charitable purposes after the plaintiff acquires full title in 40 years. The answer is twofold. The plaintiff is a charitable corporation qualified as tax exempt under Section 501(c)(3) of the Internal Revenue Code. Its charter provisions limit the uses which may be made of its property. If, in the future, it should depart from a valid charitable purpose, the authorities could return the property to the tax rolls. (at 730)

Franciscan was designed to give general approval to housing projects for the elderly and handicapped. It should not be read grudgingly. (at 730)

Based upon the Court's analysis, and the stipulated facts, Complainant has provided substantial and persuasive evidence that it is entitled to a charitable exemption. It appears that the use of the property in this appeal clearly is a charitable purpose. There are different theories that can be used to arrive at the conclusion that a property owned by an LLC can be exempt under Article X, Section 6 of the Missouri Constitution. While Respondent pointed out logical, pragmatic reasons for objecting to granting an exemption, the prevailing analysis in this matter is based upon the Court's rulings.

CONCLUSION AND ORDER

The BOE's decision denying the exemption application of the property is set aside. Complainant is granted exempt status under Article X, Section 6 of the Missouri Constitution as of January 1, 2023.

Application for Review

A party may file an application for review of this decision within 30 days of the mailing date set forth in the certificate of service for this decision. The application "shall contain specific detailed grounds upon which it is claimed the decision is erroneous." Section 138.432. The application must be in writing, and may be mailed to the State Tax Commission of Missouri, P.O. Box 146, Jefferson City, MO 65102-0146, or emailed to Legal@stc.mo.gov. A copy of the

application must be sent to each person listed below in the certificate of service. *Failure to state specific facts or law upon which the application for review is based will result in summary denial.* Section 138.432.

Disputed Taxes

The Collector of Clay County, and the collectors of all affected political subdivisions therein, shall continue to hold the disputed taxes pending the possible filing of an application for review, unless the disputed taxes have been disbursed pursuant to a court order under the provisions of section 139.031.

SO ORDERED: January 24th, 2025

Todd D. Wilson
Senior Hearing Officer
State Tax Commission

Certificate of Service

I hereby certify that a copy of the foregoing has been electronically mailed and/or sent by U.S. Mail on January 24th, 2025, to:

Complainant(s) and/or Counsel for Complainant(s), the County Assessor and/or Counsel for Respondent and County Collector.

Stacy M. Ingle
Legal Assistant