



STATE TAX COMMISSION OF MISSOURI

| | | |
|--------------------------|---|---------------------------------|
| LIFE'S JOURNEY INK, |) | |
| |) | |
| Complainant, |) | |
| |) | Appeal No. 23-89657 to 23-89670 |
| v. |) | |
| |) | |
| SUSAN CHAPMAN, ASSESSOR, |) | |
| TANEY COUNTY, MISSOURI, |) | |
| |) | |
| Respondent. |) | |

DECISION AND ORDER

Life's Journey Ink (Complainant) appeals the Taney County Board of Equalization's (BOE) decision that affirmed the determination of the Taney 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. The BOE decision is Affirmed.

These matters came on for Evidentiary Hearing before Senior Hearing Officer Todd D. Wilson on June 17, 2025 via WebEx. These appeals all involve the same owner and use of the property and are contiguous, therefore, the appeals are combined for hearing and decision purposes.

Respondent objected to Complainant's exhibits as having been filed out of time and on relevance as some of them referenced activities/improvements that were not completed as of January 1, 2023. Complainant withdraws Exhibits F through M. The objection is overruled as to Exhibits A

through E and those exhibits are received and given the weight due. Complainant offered the written direct testimony (WDT) of Roger Rekate. Respondent objected to the WDT as it was filed out of time and contains information about activities and improvements that were not completed prior to January 1, 2023. The objection is overruled, the WDT of Mr. Rekate is received.

Complainant's Exhibits Offered and Received are as follows:

| Exhibit | Description |
|---------|--|
| A | Articles and Certificate of Incorporation |
| B | By-Laws of Life's Journey, Ink |
| C | IRS Form 1023 Application for Recognition of Exemption |
| D | IRS Determination Letter |
| E | 2023 Annual Corporate Report |

Respondent submitted the WDT of Susan Chapman, Taney County Assessor, which was received without objection. Respondent submitted the work card for each appeal as her exhibits. The exhibits were received without objection as follows:

Respondent's Exhibits

| <u>Exhibit</u> | <u>Description</u> | <u>Parcel #</u> |
|---------------------|----------------------------------|---------------------------|
| Exhibit 23-89657-4 | Taney County Work Card – 063.075 | 08-4.0-20-000-000-063.075 |
| Exhibit 23-89658-11 | Taney County Work Card - 063.082 | 08-4.0-20-000-000-063.082 |
| Exhibit 23-89659-35 | Taney County Work Card – 063.069 | 08-4.0-20-000-000-063.069 |
| Exhibit 23-89660-2 | Taney County Work Card – 063.071 | 08-4.0-20-000-000-063.071 |
| Exhibit 23-89661-1 | Taney County Work Card - 063.072 | 08-4.0-20-000-000-063.072 |
| Exhibit 23-89662-12 | Taney County Work Card - 063.073 | 08-4.0-20-000-000-063.073 |
| Exhibit 23-89663-8 | Taney County Work Card – 063.079 | 08-4.0-20-000-000-063.079 |
| Exhibit 23-89664-5 | Taney County Work Card – 063.076 | 08-4.0-20-000-000-063.076 |
| Exhibit 23-89665-9 | Taney County Work Card – 063.080 | 08-4.0-20-000-000-063.080 |
| Exhibit 23-89666-7 | Taney County Work Card – 063.078 | 08-4.0-20-000-000-063.078 |
| Exhibit 23-89667-10 | Taney County Work Card – 063.081 | 08-4.0-20-000-000-063.081 |
| Exhibit 23-89668-3 | Taney County Work Card – 063.074 | 08-4.0-20-000-000-063.074 |
| Exhibit 23-89669-6 | Taney County Work Card – 063.077 | 08-4.0-20-000-000-063.077 |
| Exhibit 23-89670-36 | Taney County Work Card – 141.000 | 08-4.0-20-000-000-141.000 |

Background

Life's Journey, Ink was founded in 2008 by Roger Rekate. The current Articles of

Incorporation (Exhibit A) sets forth that the Corporation is a public benefit corporation. The Articles have standard provisions for a Not-for-Profit corporation, that it is organized exclusively for charitable, religious and educational purposes under Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service determined that Complainant met the requirements for charitable status under 501(c)(3) of the Internal Revenue Code on October 20, 2011 as set out in Exhibit D.

These appeals involve parcels of real estate in the City of Branson that were donated to Complainant on or about November 29, 2022. The parcels were classified as agricultural by the Taney County Assessor for 2023. The BOE affirmed the decision of the Assessor to deny the exemption and affirmed the values set as follows:

| Appeal # | Parcel ID# | Appraised value | Assessed value |
|----------|---------------------------|-----------------|----------------|
| 23-89657 | 08-4.0-20-000-000-063.075 | \$45,800 | \$5,500 |
| 23-89658 | 08-4.0-20-000-000-063.082 | \$81,550 | \$9,790 |
| 23-89659 | 08-4.0-20-000-000-063.069 | \$12,450 | \$1,490 |
| 23-89660 | 08-4.0-20-000-000-063.071 | \$30,350 | \$3,640 |
| 23-89661 | 08-4.0-20-000-000-063.072 | \$8,100 | \$970 |
| 23-89662 | 08-4.0-20-000-000-063.073 | \$36,850 | \$4,420 |
| 23-89663 | 08-4.0-20-000-000-063.079 | \$27,550 | \$3,310 |
| 23-89664 | 08-4.0-20-000-000-063.076 | \$38,250 | \$4,590 |
| 23-89665 | 08-4.0-20-000-000-063.080 | \$41,050 | \$4,930 |
| 23-89666 | 08-4.0-20-000-000-063.078 | \$51,050 | \$6,140 |
| 23-89667 | 08-4.0-20-000-000-063.081 | \$54,400 | \$6,530 |
| 23-89668 | 08-4.0-20-000-000-063.074 | \$35,000 | \$4,200 |
| 23-89669 | 08-4.0-20-000-000-063.077 | \$36,300 | \$4,360 |
| 23-89670 | 08-4.0-20-000-000-141.000 | \$10,000 | \$1,900 |

1. FINDINGS OF FACT

Life's Journey, Ink, is a not-for-profit corporation in good standing with the Internal Revenue Service and the State of Missouri. No profit may be distributed to any individual person

or entity. Its registered agent and office is in Springfield, Missouri. The properties in these appeals are located in Branson, Taney County, Missouri and were a gift to Complainant on or about November 29, 2022.

2. **Complainant's Evidence.** Complainant had Roger Rekate testify, both in Written Direct Testimony and live testimony. He is the founder and President of Complainant. His testimony was credible. From his testimony and the Exhibits, it was shown that Complainant is a not-for-profit corporation. Its purpose is to help others with spiritual growth and working with youth. Complainant requests that people who use the property pay a fee, but Mr. Rekate stated that no one has ever been turned away. The property now has trails that run through it with bible verses on signs along the trails to encourage people to pray and grow spiritually. However, as Complainant became the owner of the property with only a month left in 2022 and that the City of Branson requires permits for most kinds of development, no physical changes were made to the property by January 1, 2023. Mr. Rekate stated that during December of 2022, he and other Board Members of Complainant, had been to the property to plan and prayerfully consider development options in furtherance of their goal to develop trails throughout the property to encourage people to pray and grow spiritually. Mr. Rekate also stated that he had completed the packet for exemption for each of the parcels and presented them to the Assessor prior to the December 31, 2022 deadline. Mr. Rekate stated that Assessor Chapman told him that she was not going to classify the properties as exempt and explained the procedure to appeal to the BOE.

Complainant maintains that the property meets the three factors of the *Franciscan Tertiary Province of Missouri, Inc. v. State Tax Commission*, 566 S.W.2d 213, 219 (Mo. 1978) and its progeny which are: (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.

Complainant maintains that it meets the first factor, the properties are owned and operated on a not-for-profit basis, because it is a not-for-profit, charitable organization recognized for exemption under Section 501(c)(3) of the Internal Revenue Code and that these properties do not make a profit.

Complainant maintains that it meets the second factor, exclusive use of the property for charitable purposes by providing the property to people for exploring nature and communing with God. There has been no other use of the property by Complainant or its agents since it became the owner of the property.¹

Complainant cites *St. Louis Council, Boy Scouts of America v. Burgess*, 362 MO 146, 240 S.W.2d 684 (1951) in support of its position that the property does not have to be developed to have an exclusive charitable use. In that case, the Louis Beaumont Tract of approximately 2300 acres had been donated to the Boy Scouts. The Court stated that the evidence presented showed that “very few weekends pass without at least ten troops and 100, or more, boys using the Louis Beaumont Reservation.” *Id* at 149. The Beaumont Reservation had no camp buildings on it, but did have roads laid out and a water system established. *Id* at 150-151. The level ground was used for the camp with the remaining land used for nature trips and hikes and all the land is used exclusively for scouting purposes. The Court found that the evidence showed a present, actual, regular and exclusive use of the property for purposes purely charitable and that no part is held or

¹ Mr. Rekate related in his testimony that there have been trespassers on the property whose activities are unknown to Complainant. Any such use is not considered in this decision.

used as an investment and, therefore, the property qualified for an exemption. Id at 152

Complainant maintains that it meets the third factor, 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 in that it makes the property available for use to people from the general public and has never turned anyone away for inability to pay.

Complainant further maintains that the reason or one of the reasons that the property was not considered an exempt property is that the Assessor and BOE wrongfully interpret the First Amendment right to worship as requiring a building or some form of development. Complainant asserts that the definition of worship should include simply being in nature and praying. Complainant maintains that if the Assessor and BOE used the correct definition of worship, this property would be exempt as the Board Members went to the property and prayerfully considered the best manner for development of the properties.

3. **Respondent's Evidence.** Respondent presented the testimony of Susan Chapman, the Taney County Assessor in both written and live direct testimony. Ms. Chapman testified regarding the application for exemption procedure. Ms. Chapman's understanding is that vacant, unimproved land does not qualify for exemption. Ms. Chapman stated that based on her conversation with Mr. Rekate and the application for exemption for the properties, the property should not be exempt as it was vacant and unimproved as of January 1, 2023. Respondent cites the recent decisions of the STC in the 2019 Mercy Health appeals which found that the Complainant in those matters did not satisfy the requirements to be found to be exempt because the Complainant failed to show the charitable use of each particular property.

CONCLUSIONS OF LAW

1. Evidence. "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). The hearing officer is the finder of fact and determines the credibility and weight of the evidence. *Kelly 8 v. Mo. Dep’t of Soc. Servs., Family Support Div.*, 456 S.W.3d 107, 111 (Mo. App. W.D. 2015).

2. “STC decisions and orders are non-binding, persuasive authority aiding the consistent disposition of factually analogous cases.” *Tuba v. Zimmerman*, Appeal No. 21-18285, 2022 WL 16841480 at• 6 (Mo. St. Tax Com. Nov. 4, 2022) (emphasis added); *see also Laclede Gas Co. ‘s Verified Application to Re-Establish & Extend the Fin. Auth. Previously Approved By the Comm’n v. Mo. Pub. Serv. Comm’n*, 526 S.W.3d 245, 252 (Mo. Ct. App. W.D. 2017) (an administrative agency, such as the STC, “is not bound by its previous decisions, so long as its current decision is not otherwise unreasonable or unlawful.”).

3. 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[.]

“Tax exemptions are construed strictly against the taxpayer, and any doubt must be resolved in favor of application of the tax.” *SEBA, LLC v. Dir. Of Revenue*, 611 S.W.3d 303, 313–14 (Mo. Banc 2020). Exemptions are “allowed only upon clear and unequivocal proof, and any doubts are resolved against the party claiming it.” *Id.* (internal quotation omitted).¹

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 be² said to determine whether the use of the particular property is charitable or not.” *Franciscan*, 566 S.W.2d at 223.

4. Definition of Charity: The definition of “charity” which originated in *Salvation Army v. Hoehn*, 188 S.W.2d 826, 830 and approved by *Franciscan Tertiary Province of Missouri, Inc. v. State Tax Commission*, 566 S.W.2d 213, 220 is:

Probably the most comprehensive and carefully drawn definition of a charity that has ever been formulated is that it is a gift, to be applied consistently with existing laws, for the benefit of an indefinite number of persons, either by bringing their hearts under the influence of education or religion, by relieving their bodies from disease, suffering or constraint, by assisting them to establish themselves for life, or by erecting or maintaining public buildings or works or otherwise lessening the burdens of government. . . A charity may restrict its admission to a class of humanity, and still be public, it may be for the blind, the mute, those suffering under special diseases, for the aged, for infants, for women, for men, for different callings or trades by

² See also *Am. Polled Hereford Ass’n v. City of Kansas City*, 626 S.W.2d 237, 240 (Mo. Banc 1982)(noting the taxpayer bears the burden of establishing a property tax exemption “by unequivocal proof that such release is required by the terms of the statute....”); *City of St. Louis v. State Tax Comm’n*, 524 S.W.2d 839, 845 (Mo. Banc 1975)(noting the taxpayer claiming a charitable exemption must make “a clear and convincing showing that the specific activity in question does fall within an accepted category found in the definition”).

which humanity earns its bread, and as long as the classification is determined by some distinction which involuntarily affects or may affect any of the whole people, although only a small number may be directly benefited, it is public.

DISCUSSION

There is no dispute that Life's Journey, Ink, is a Not-for-profit corporation. It does not have shareholders and any profits of the corporation cannot inure to the benefit of any director or officer of the corporation. Complainant maintains its status as a charitable corporation under section 501(c)(3) of the Internal Revenue Code. This meets the first prong of the *Franciscan* test as the properties are owned and operated on a not-for-profit basis so that there can be no profit, presently or prospectively to individuals or corporations.

Respondent's arguments that Complainant charges an admission fee to use the property is without merit as the testimony showed that any income from admission fees for the property is much less than the cost of maintaining the property and that no individual has ever been turned away for inability to pay.

The second prong of the Franciscan test: the property is dedicated unconditionally to the charitable activity in accordance with the definition of charity approved by the Court in *Salvation Army v. Hoehn*, 188 S.W.2d 826, 830; is the issue for these properties. Particularly because there was no development whatsoever of the property on January 1, 2023. There were no paths laid out, there were no signs with bible verses on them erected along the paths, the property was simply rough, undeveloped real estate. The acts of Mr. Rekate and the Board of Directors going to the property, planning and prayerfully considering the options for development does not rise to an unconditional dedication to charitable activity. Complainant's reliance on *Boy Scouts*, *infra*. is misplaced as the scouts almost continuously used the property for exclusively scouting purposes and the property had roads and a water distribution system on it.

To examine Complainant's argument, a simple, yet common, scenario could arise, to-wit: a

person purchases 30 acres of woods and hills anywhere in Missouri. That person then erects a cross and places a bench on the property. This person then cuts paths through the woods and brush away from the bench. The landowner then claims a charitable exemption as the property will never show a profit, has religious symbols erected on it and the owner argues that it is used exclusively for religious purposes and that his carrying a bow and shooting deer from the bench during deer season is such a minimal part of the use of the property that it can be ignored, or in the alternative, because taking deer is a manner of communing with nature, it should be allowed as an exempt use. While this factual situation may seem farcical, if Complainant's actions of going to the property to prayerfully consider development is considered exclusive use of the property for religious or charitable purposes, such a scenario would probably arise.

Complainant's contention that the definition of religious use of the property by the Assessor and BOE was in violation of the Complainant's First Amendment rights, need not be addressed as there was no actual physical use of the property on January 1, 2023.

Based on the fact that there was no physical development of the property in furtherance of the goals of the organization on January 1, 2023, Complainant has failed to meet its burden of proof.

CONCLUSION AND ORDER

The BOE's decision is Affirmed. The property is designated as commercial with the Parcel IDs and values as set out on the table above 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 Taney 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 July 10, 2025.

STATE TAX COMMISSION OF MISSOURI

Todd D. Wilson
Senior Hearing Officer

Certificate of Service

I hereby certify that a copy of the foregoing has been electronically mailed and/or sent by U.S. Mail on July 11th, 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