

Arizona County Shutting Church Down for Money Arizona Says It Doesn't Owe

La Paz County is forcing a small Quartzsite church that helps the homeless to close its doors by June 15 unless it pays \$68,000 in back-taxes and penalties that both state law and the Arizona Department of Revenue say the church doesn't owe.

Alliance Defending Freedom attorneys represent Church of the Isaiah 58 Project of Arizona in a lawsuit over the taxes, but because state courts have been unwilling to defer payment of the back-taxes until litigation has completed, the congregation is now facing foreclosure because it operates on a shoestring budget of only \$50,000 per year.

Supporters of the church have contributed money to help it pay the illegal tax bill so that it can stay open and continue its lawsuit, but it still needs about \$30,000 to avoid foreclosure due to a tax lien on its property.

"Churches shouldn't live in fear of being punished by the government when they've not done anything wrong, but that's precisely what is happening to this church. If La Paz County officials have their way, this church will lose everything," said ADF Senior Legal Counsel Erik Stanley.

"The county assessor illegally levied these taxes against the church even though the Arizona Department of Revenue provided a letter stating that the church should owe no taxes. We join community leaders and the homeless whom the church serve in hoping that the church will obtain the amount it needs to continue operating and to continue its legal fight against this injustice."

Under state law, the church qualified for an exemption from

property taxes and filed the appropriate paperwork with the La Paz County property assessor. The assessor sat on the church's paperwork for three years before granting a tax exemption and then only granted it for the years 2009 and later, leaving the church with back-taxes for 2007-2008 that it should not owe.

A September 2013 decision from the Arizona Court of Appeals in Church of the Isaiah 58 Project of Arizona v. La Paz County upheld an earlier Tax Court ruling that said the church should have paid the tax bill before challenging it as illegal. ADF attorneys have argued, however, that state law does not require the church to do so when it is challenging an illegally assessed tax so high that the congregation can't pay the bill and ask for a refund later.

The Arizona Supreme Court recently declined to hear an appeal, leaving the church with no choice but to raise enough money to pay the illegal tax bill so it can stay open, continue its lawsuit, and then seek a refund of the bill if it prevails.

Foreclosure will end the church's outreach to the needy, a program which the Quartzsite mayor and police chief have praised. Anyone interested in helping the church reach its goal of raising enough money to pay the illegal tax bill so it can continue to serve the homeless can donate through the church's website.