

What organizations can use/rent church property?

Under state property tax law, the organization renting the space must be a nonprofit organization, but does not need to be tax-exempt under section 501(c)(3) of the Internal Revenue Code.

The law states:

Loan or rental of exempt property. The tax exempt status of any property exempt under this section will not be affected if it is loaned or rented under the following conditions: (a) The loan or rental must be to a nonprofit organization, association, corporation, or school; (b) The loan or rental must be for an eleemosynary activity; and (c) The rental income must be reasonable and devoted solely to the operation and maintenance of the property.

In addition to the above criteria, all users/renters must:

- Present a photocopy of a current business license (or otherwise document an official mailing address for delivery of official correspondence (e.g. non-renewal of insurance, non-payment of rent, advice of damage to church property, etc.)
- Present a photocopy of the corporate registration certificate issued by the Washington Secretary of State. Non-profit associations present a copy of their bylaws
- Present a copy of a Resolution from the renter's Trustee body (or similarly named body) authorizing the rental agreement, rental amount and naming the person(s) authorized to sign
- Provide \$1,000,000 of liability insurance from a recognized insurance company licensed to do business in the State of Washington, naming the Diocese of Olympia, Inc. as additional named insured
- Demonstrate in some fashion financial capacity to pay rent
- Execute our standard use agreement (or acceptable substitute) in two originals