

**DEPARTMENT OF TAXATION
2002 Fiscal Impact Statement**

1. Patron Howell

3. Committee Senate Finance

4. Title Property Tax: Exemption for YoungLife
and its Affiliates

2. Bill Number HB 718

House of Origin:

 Introduced

 Substitute

 Engrossed

Second House:

 X **In Committee**

 Substitute

 Enrolled

5. Summary/Purpose:

This bill would classify YoungLife and its local affiliates as religious and benevolent organizations for local property tax exemption purposes.

The effective date of this bill is not specified.

6. Fiscal Impact Estimates are: Unknown (See Line 8.)

7. Budget amendment necessary: No.

8. Fiscal implications:

This bill would have no impact on state revenues. It would have a negative revenue impact on those localities that have a YoungLife organization within their jurisdiction. Because this bill provides for an exemption by classification, it would apply to all localities that have, or might have in the future, YoungLife and its local affiliates within their jurisdiction.

9. Specific agency or political subdivisions affected:

All localities

10. Technical amendment necessary: None.

11. Other comments:

YoungLife is a non-profit, nondenominational Christian organization offering programs and activities to teenagers in more than 450 communities throughout the United States. Each YoungLife area is self-supporting, relying on tax-deductible contributions from private individuals and businesses.

Under current law, other groups whose real and personal property is exempt by classification are: volunteer fire departments and rescue squads; certain boys and girls clubs; Auxiliaries of the Veterans of World War 1; Societies for the Prevention of Cruelty to Animals; Boy Scouts and Girl Scouts of America; Home Demonstration Clubs, 4-H Clubs and Future Farmers of America, Inc.; the American National Red Cross and its local chapters; State Future Farmers of America, Future Homemakers of America, and Future Business Leaders of America; certain farm club associations; Habitat for Humanity and local affiliates or subsidiaries; certain college alumni associations and foundations; and certain properties of churches, religious associations or denominations.

Properties of other non-profit organizations may be exempt by designation under Code of Virginia § 58.1-3650. Such designation requires a resolution by the local governing body and approval of the General Assembly.

cc: Secretary of Finance

Date: 2/13/02/SLR

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