

**CLAIM FOR ORGANIZATIONAL CLEARANCE CERTIFICATE -
WELFARE EXEMPTION****CHECKLIST FOR CLAIM**

**THE FOLLOWING DOCUMENTS MUST BE SUBMITTED WITH THE CLAIM FORM.
IF ALL DOCUMENTS ARE NOT SUBMITTED, YOUR CLAIM WILL BE RETURNED.**

 FORMATIVE DOCUMENTS

Corporations: Copy of the articles of incorporation and each amendment, if any, certified by the Secretary of State.
Non-corporations: Copy of the constitution, trust instrument, etc., and each amendment, if any.

 TAX-EXEMPT STATUS LETTER

Copy of letter(s) evidencing exemption from federal income tax (section 501(c)(3) of the Internal Revenue Code), and/or a copy of the letter evidencing exemption from state franchise or income tax (section 23701d of the Revenue and Taxation Code.) If your Internal Revenue Service tax-exempt status letter has an advanced ruling period that has expired, please include an updated IRS status letter.

If the tax exempt letter is a group ruling letter, submit documentation evidencing that your organization falls under the group ruling letter.

 FINANCIAL STATEMENTS

Copy of operating statement (income and expenses), balance sheet (assets and liabilities), and notes to financial statements for the calendar or fiscal year immediately preceding the claim year and each subsequent year to date. For example, if filing for fiscal year 2006/07 in 2008, financial statements for calendar or fiscal years ending in 2005, 2006 and 2007 must be submitted. Check registers and/or tax return forms 990 are not acceptable substitutes for financial statements.

 ACTIVITIES

Documentation supporting/describing the activities of the organization. For example, pamphlets, brochures, and web pages are acceptable forms of documentation.

FOR ADDITIONAL INFORMATION

Additional information on OCC filing requirements is available on our website.

If the organization is a Veterans' Organization, submit claim CDTFA-279, *Claim for Organizational Clearance Certificate – Veterans' Organization Exemption*.

If the organization is a Limited Liability Company, submit claim CDTFA-277-LLC, *Claim for Organizational Clearance Certificate – Welfare Exemption, Limited Liability Company*.

**INSTRUCTIONS FOR FILING A CLAIM
FOR AN ORGANIZATIONAL CLEARANCE CERTIFICATE -
WELFARE EXEMPTION**

(Refer to section 254.6 of the Revenue and Taxation Code)

ORGANIZATIONAL CLEARANCE CERTIFICATE

An organization that intends to claim the welfare exemption, shall file with the California Department of Tax and Fee Administration (CDTFA), Welfare Exemption Section, at the address listed on page 3 of this claim package, a claim for an *Organizational Clearance Certificate*. The CDTFA shall review each claim to determine whether the organization meets the requirements of section 214 and shall issue a certificate to a claimant that meets these requirements. The Assessor may not approve a property tax exemption claim until the claimant has been issued a valid *Organizational Clearance Certificate*. If a welfare exemption claim is filed timely with the Assessor, the claim will be considered timely filed even if the claimant has not yet received the *Organizational Clearance Certificate* from the Board. Information on the welfare exemption is on our website. If you have any questions, you may contact the Welfare Exemption Section at 1-916-274-3430.

FILING OF CLAIM

FISCAL YEAR OF CLAIM

The initial fiscal year for which the *Organizational Clearance Certificate* is sought must be entered correctly. The proper fiscal year follows the lien date (12:01 a.m., January 1) as of which the taxable or exempt status of the property is determined. For example, a person filing a claim for an *Organizational Clearance Certificate* in February 2008 would enter "2008-2009" on the claim; a "2007-2008" entry on a claim filed in February 2008 would signify that a claim was being filed for the preceding fiscal year. If the initial fiscal year for which the *Organizational Clearance Certificate* is sought is for a previous year, only one claim form is required. It is not necessary to file a separate claim for each fiscal year.

1. Formative Documents

An organization **must attach** a copy of the Articles of Incorporation and any amendments thereto certified by the Secretary of State, or comparable instrument for unincorporated organizations.

2. Tax-Exempt Status Letter

An organization **must attach** a copy of the letter evidencing the exemption from federal income tax (section 501(c)(3) of the Internal Revenue Code) or a copy of the letter evidencing exemption from state franchise or income tax (section 23701d of the Revenue and Taxation Code.) If the IRS tax exemption status letter has an advanced ruling period that ended prior to filing of this claim, please also include a copy of a current IRS tax-exempt status letter. If the letter provided has subsequently been revoked, attach a copy of the letter stating that fact.

3. Financial Statements

An organization **must attach** a copy of certified financial statements. In submitting the financial statements (balance sheet and operating statement and notes) of the organization, the complete financial transactions of the organization should be included. If the nature of any item of income or disbursement is not clear from the account name, further explanation indicating the nature of the account should be appended. Please submit financial statements for each year beginning with the year immediately preceding the first fiscal year that exemption is claimed.

Other

4. If the answer is yes, please note that Revenue and Taxation Code section 214, welfare exemption statute, provides, in part, that "The owner is not organized or operated for profit." (See section 214(a)(1))

5. If the answer is yes, please note that Revenue and Taxation Code section 214, welfare exemption statute, provides, in part, that "No part of the net earnings of the owner inures to the benefit of any private shareholder or individual." (See section 214(a)(2))

6. If the answer is yes, give title of position (do not list names of position holders) and weekly or annual salary, commissions, or percentage payments.

7. If the answer is yes, list the type of obligations (such as bonds, notes, etc.), the amounts of the obligations, the payment terms, and names of creditors. Use a separate schedule if necessary.

8. and 9. Activities

An organization **must attach** documentation supporting/describing the activities of the organization. Please identify the purpose of your organization. In addition, please check the box that best describes the activities of your organization and state fully all activities in which the organization is engaged. If necessary, you may provide this information on a supplemental attachment.

If the corporation is a managing general partner of a Limited Partnership, please submit CDTFA-277-L1, *Claim for Supplemental Clearance Certificate for Limited Partnership, Low-Income Housing Property – Welfare Exemption*, for each limited partnership.

**CLAIM FOR ORGANIZATIONAL CLEARANCE CERTIFICATE -
WELFARE EXEMPTION**

This form must be completed and filed with the California Department of Tax and Fee Administration, Welfare Exemption Section, P.O. Box 942879, Sacramento, CA 94279-0064

NAME OF ORGANIZATION	WEBSITE ADDRESS (if any)
MAILING ADDRESS (number and street)	
CITY, STATE, ZIP CODE	
CORPORATE ID NUMBER (if any)	FISCAL YEAR OF CLAIM (see instructions) 20 ____ - 20 ____

FORMATIVE DOCUMENTS

1. IS THIS ORGANIZATION A CORPORATION? YES NO If **YES**, go to (A) below, if **NO**, go to (B) below.

A. Date of Incorporation (Date filed with Secretary of State): _____
Dates of all amendments to the Articles of Incorporation, if any: _____

ATTACH A COPY OF THE ARTICLES OF INCORPORATION, AND EACH AMENDMENT, CERTIFIED BY THE SECRETARY OF STATE.

B. Date of Organization (Date filed with Secretary of State): _____
Dates of all amendments to the constitution, trust instrument, or other document evidencing the nature of the organization: _____

ATTACH A COPY OF THE CONSTITUTION, TRUST INSTRUMENT, ETC., AND EACH AMENDMENT.

TAX-EXEMPT STATUS LETTER

2. IS THE ORGANIZATION EXEMPT FROM FEDERAL INCOME TAX UNDER THE PROVISIONS OF SECTION 501(c)(3) OF THE INTERNAL REVENUE CODE AND/OR EXEMPT FROM STATE FRANCHISE OR INCOME TAX UNDER THE PROVISIONS OF SECTION 23701d OF THE REVENUE AND TAXATION CODE?

YES NO If **YES**, attach a copy of the letter evidencing the exemption.

If **NO**, the organization is not eligible for the *Organizational Clearance Certificate* unless it is a volunteer fire department, or public facility financing corporation, which is exempt under section 23701f of the Revenue and Taxation Code or 501(c)(4) of the Internal Revenue Code.

FINANCIAL STATEMENTS

3. DOES THE ORGANIZATION HAVE CERTIFIED/AUDITED FINANCIAL STATEMENTS? YES NO

Attach copy of the financial statements for the calendar or fiscal year immediately preceding the claim year, and for each subsequent year to date.

If **NO**, please explain: _____

OTHER

4. IS THE OWNER ORGANIZED OR OPERATED FOR PROFIT? YES NO

5. DOES ANY PART OF THE NET EARNINGS OF THE OWNER INURE TO THE BENEFIT OF ANY PRIVATE SHAREHOLDER OR INDIVIDUAL? YES NO

6. IS THE SALARY PAID TO ANY INDIVIDUAL IN EXCESS OF \$1,500 WEEKLY OR \$78,000 ANNUALLY? YES NO

If **YES**, list each of the top five positions with their salaries:

POSITION	SALARY

7. DOES THE ORGANIZATION HAVE ANY OUTSTANDING BONDS, DEBENTURES, PROMISSORY NOTES, OR OTHER EVIDENCE OF INDEBTEDNESS ISSUED FOR ITS OVERALL OPERATION? YES NO

If **YES**, give specific details as to the type and terms of such indebtedness and to whom owing:

ACTIVITIES

8. IS THIS ORGANIZATION ORGANIZED AND OPERATED FOR CHARITABLE, RELIGIOUS, HOSPITAL, AND/OR SCIENTIFIC PURPOSES? YES NO If **YES**, please identify the purpose of the organization and provide additional information as requested below. If necessary, this information may be provided on a supplemental attachment.

CHARITABLE PURPOSE: CHECK THE BOX THAT BEST DESCRIBES THE ORGANIZATION'S ACTIVITIES

- SOCIAL SERVICES
- LOW-INCOME HOUSING AND/OR ELDERLY HANDICAPPED HOUSING
- MANAGING GENERAL PARTNER OF LIMITED PARTNERSHIP THAT OWNS AND OPERATES LOW-INCOME HOUSING PROPERTY. Submit a CDTFA-277-L1, *Claim for Supplemental Clearance Certificate*, for each limited partnership property.
- OTHER

RELIGIOUS PURPOSE: CHECK THE BOX THAT BEST DESCRIBES THE ORGANIZATION'S ACTIVITIES

- CHURCH, OR CHURCH AND SCHOOL
- HOUSING OF RELIGIOUS PERSONNEL
- OTHER

HOSPITAL PURPOSE: CHECK THE BOX THAT BEST DESCRIBES THE ORGANIZATION'S ACTIVITIES

If the operating revenues, exclusive of gifts, endowments and grants-in-aid, exceed operating expenses by an amount equivalent to 10% of those operating expenses, describe the use(s) of the surplus revenue:

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- HOSPITAL
 - MULTI-SPECIALTY CLINIC
 - OTHER

SCIENTIFIC PURPOSE: CHECK THE BOX THAT BEST DESCRIBES THE ORGANIZATION'S ACTIVITIES

- CHARTERED BY THE CONGRESS OF THE UNITED STATES. OBJECTIVE IS TO ENCOURAGE OR CONDUCT SCIENTIFIC INVESTIGATION, RESEARCH AND DISCOVERY FOR THE BENEFIT OF THE COMMUNITY AT LARGE
- MEDICAL RESEARCH
- OTHER

9. STATE FULLY ALL ACTIVITIES IN WHICH THE ORGANIZATION IS ENGAGED. INCLUDE ALL ACTIVITIES SINCE JANUARY 1 OF PRIOR YEAR, AND PROVIDE DOCUMENTATION DESCRIBING THE ACTIVITIES.

Whom should we contact for additional information?

NAME	DAYTIME TELEPHONE ()	EMAIL ADDRESS
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CERTIFICATION

I certify (or declare) under penalty of perjury under the laws of the State of California that the foregoing and all information hereon, including any accompanying statements or documents, is true, correct and complete to the best of my knowledge and belief.

NAME OF CLAIMANT	TITLE	DATE
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SIGNATURE OF CLAIMANT

