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**ARIZONA ATTORNEY GENERAL**

Opinion No. 63-12  
R-128  
February 6, 1963

REQUESTED BY: The Honorable George Ireland  
Yavapai County Attorney

OPINION BY: ROBERT W. PICKRELL  
The Attorney General

QUESTION: Are churches entitled to tax exemption under Section 42-271 A.R.S. on land and improvements used for religious worship and also for summer vacation and recreation?

ANSWER: Yes.

The Arizona Constitution provides that the Legislature may exempt certain property of institutions from the imposition of taxes. The pertinent part of the constitutional provision is contained in Section 2 of Article 9, Constitution of Arizona, which is recited below:

"...Property of educational, charitable and religious associations or institutions not used or held for profit may be exempt from taxation by law. ..."

As to the above-mentioned property the constitutional provision is not self-executing, that is, it does not automatically provide for an exemption, but permits the Legislature to grant such an exemption. Conrad v. County of Maricopa, 40 Ariz. 390, 12 P.2d 613 (1932). The Legislature pursuant to the constitutional authority to grant an exemption to churches has adopted the following statutory language.

A.R.S. § 42-271:

"All property in the state shall be subject to taxation, except: ...

"6. Churches and other buildings used for religious worship, with their furniture and equipment, and the land and improvements appurtenant thereto and used therewith, provided rent is not paid for such land or improvements, and as long as the property is not used or held for profit. . . ."

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Our Supreme Court in the recent case of Verde Valley School v. County of Yavapai, 90 Ariz. 180, 367 P.2d 223 (1961), in interpreting the statutory exemption as provided in subsection (3) of A.R.S. § 42-271 regarding a private non-profit educational institution, determined that such an institution did not lose its real property tax exemption because it received student tuition and fee charges for room and board, etc., as the statute which prohibited the exemption... "when such property is private property from which a rent or valuable consideration is received for its use it shall be taxed as other property..." was only applicable to non-school purposes.

In reference to the question submitted, the fact that the land and improvements owned and used by churches for religious purposes are also used for summer vacation and recreation would not prohibit the churches from operating summer camps that are rented where the summer camps and other other recreational activities are incidental to religious worship. In our opinion, this would not be the receiving of rent for non-religious purposes within the statutory prohibition.

*Robert W. Pickrell*  
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