

April 3, 2009

IN RE: GREATER LOVE CHAPEL, INC.

DOCKET NO: 36REINPZZ5425

STATEMENT OF RECORD

1. Greater Love Chapel, Inc. (hereafter "Petitioner") filed a petition for appeal with the Tax Review Board on July 6, 2005 requesting abatement of interest and penalty accrued against Real Estate taxes for the property at 437 North 40th St. Philadelphia, Pa. for the tax years 1986 through 1994 and 1997 through 2004.
2. A public hearing before the Tax Review Board on December 6, 2005 was continued pending additional information regarding Petitioner's use of the property.
3. A public hearing before the Tax Review Board was held May 2, 2006 following which the Board announced its decision to abate all interest, penalty and lien charges contingent on Petitioner entering into a payment agreement with the Department of Revenue on the remaining balance. The amounts abated were \$20,182.26 in interest, \$1778.48 in penalty, and \$280 in lien charges.
4. On June 12, 2008, a rehearing was granted at Petitioner's request.
5. A public hearing was held before the Tax Review Board on January 29, 2009, following which the Board announced its decision to deny the petition.
6. Petitioner has appealed the January 29, 2009 Tax Review Board decision to the Philadelphia Court of Common Pleas.

FINDINGS OF FACT

1. Petitioner is a church, operating at 437 North 40th St. Philadelphia, Pa.
2. Petitioner was represented at the Tax Review Board by Sandra Beacham.
3. Ms. Beacham testified that the church had operated at this location for over 20 years.
4. Ms. Beacham had represented the Petitioner at the previous Tax Review Board hearings.
5. Petitioner made some payments after the Tax Review Board hearing but did not adhere to the monthly schedule and was declared to be in default of the payment plan by the Department of Revenue. This default triggered the reinstatement of all abated interest, penalty and lien charges.
6. Petitioner requested a rehearing to ask for reinstatement of the abatements issued in the Board's 2006 decision.

CONCLUSIONS OF LAW:

The Philadelphia Code Chapter 19-1702 and Chapter 19-1705 provide the Tax Review Board with authority to abate interest and penalty when in the opinion of the Board, the petitioner acted in good faith, without negligence and intent to defraud.

At Petitioner's initial hearing on May 2, 2006, the Board listened to the facts and circumstances that led to the many years of tax delinquency. The Board provided the maximum relief available, abating all interest and penalty, and also provided for generous payment arrangements, requiring only \$300 per month for a tax delinquency of over \$20,000. However, the abatement decision was contingent on Petitioner's adherence to the monthly payment arrangement.

Ms. Beacham acknowledged that Petitioner did not make a payment each month as required by the payment plan.

By defaulting on the payment agreement that resulted from the prior Tax Review Board decision, Petitioner failed to act with the good faith required by The Philadelphia Code and the Tax Review Board. Petitioner had received a decision in 2006 that the Board believed to be fair based on the facts, and beneficial to the Petitioner who received an abatement and agreement terms that took into account their circumstances. It also took into account that taxes were due and owing to the City and set up circumstances under which these taxes could be recovered.

Therefore, the decision of the Tax review Board was to deny the appeal.

Concurred:

Monique DeLapenha, Esq., Chair
Joseph Ferla
LaVon Wells-Chancy, CPA
T. David Williams, Esq.