

ORIGINAL

IN THE SUPREME COURT OF OHIO

GRACE CATHEDRAL, INC.,)	CASE NO. 2014-0373
)	
Appellant,)	Appellant's Reply Brief
)	Appeal from the Ohio Board of
-vs-)	Tax Appeals
)	
JOSEPH W. TESTA, TAX)	Board of Tax Appeals
COMMISSIONER OF OHIO,)	Case No. 2012-2168
)	
Appellee.)	

REPLY BRIEF OF APPELLANT,
GRACE CATHEDRAL, INC.

William G. Chris (0006593)
 Brandon T. Pauley (0088034)
 Roderick Linton Belfance, LLP
 50 S. Main Street, 10th Floor
 Akron, Ohio 44308-1828
 Telephone No. (330) 434-3000
 Facsimile No. (330) 434-9220

Michael DeWine
 Attorney General of Ohio
 Barton A. Hubbard
 Assistant Attorney General of Ohio
 30 East Broad Street, 25th Floor
 Columbus, Ohio 43215

Counsel for Appellant, Grace Cathedral, Inc.

Counsel for Appellee, Joseph W.
 Testa, Tax Commissioner of Ohio

RECEIVED
 AUG 15 2014
 CLERK OF COURT
 SUPREME COURT OF OHIO

FILED
 AUG 15 2014
 CLERK OF COURT
 SUPREME COURT OF OHIO

TABLE OF CONTENTS

	<u>Page</u>
TABLE OF AUTHORITIES	ii
INTRODUCTION	1
ARGUMENT.....	1
A. The Commissioner’s Reliance on the decision of <i>COGNO</i> is misplaced.	
B. The Commissioner's assertion that Grace Cathedral's property is not used to benefit "mankind in general" or "those in need of advancement and benefit in particular" and thus is not charitable is unfounded.	
C. The Commissioner’s assertion that the “Dormitory” is a residence for the purposes of tax exemption is unfounded.	
D. The Commissioner’s arguments stating the Dormitory is operated to benefit for-profit subsidiaries is speculative and not supported by the record.	
E. Alternatively, the Dormitory is utilized in a way that facilitates attendance at live religious services that have a global reach and impact and must be deemed a place of public worship. Thus, the subject property is exempt from taxation pursuant to R.C. § 5709.07.	
CONCLUSION.....	12
CERTIFICATE OF SERVICE	13

TABLE OF AUTHORITIES

	<u>Page</u>
<u>CASE LAW</u>	
American Chemical Soc. v. Kinney, 69 Ohio St.2d 167, 431 N.E.2d 1007 [23 O.O.3d 197] (1982).....	6
Bishop of Roman Catholic Diocese v. Kinney, 2 Ohio St. 3d 52, 442 N.E.2d 764 (1982).....	10
Church of God in N. Ohio, Inc. v. Levin, 2009-Ohio-5939, 124 Ohio St. 3d 36 (2009).....	1, 2, 3, 4
Commissioner v. Duberstein, 363 U.S. 278 (1960).....	9
Elizabeth Gamble Deaconess Home Ass'n v. Schneider, Tax Commr., 4 Ohio App.2d 267 (1965).....	6, 12
Faith Fellowship Ministries, Inc. v. Limbach, 32 Ohio St. 3d 432, 513 N.E.2d 1340 (1987).....	7
Galvin v. Masonic Toledo Trust, 34 Ohio St.2d 157, 296 N.E.2d 542 [63 O.O.2d 242] (1973)	6
Great Am. Ins. Co. v. Allstate Ins. Co., 78 N.C. App. 653, 338 S.E.2d 145 (N.C. App. 1986).....	7
Grodna v. Kinney, 16 Ohio App. 3d 89, 474 N.E.2d 658 (1984).....	6
Herb Soc. of Am., Inc. v. Tracy, 71 Ohio St.3d 374, 643 N.E.2d 1132 (1994)	5
Highland Park Owners, Inc. v. Tracy, 71 Ohio St.3d 405, 644 N.E.2d 284 (1994).....	2
Moraine Heights Baptist Church v. Kinney, 12 Ohio St.3d 134, 136 (1984)	1, 10, 11
Ohio Masonic Home v. Bd. of Tax Appeals, 52 Ohio St.2d 127, 130 (1977)	8
Olmsted Falls Bd. of Edn. v. Tracy, 77 Ohio St. 3d 393, 674 N.E.2d 690 (1997).....	8
Planned Parenthood Assn of Columbus, Inc. v. Tax Commissioner, 5 Ohio St. 2d 117 (1966).....	4,5

Prudential Prop. & Cas. Ins. Co. v. Koby, 124 Ohio App. 3d 174, 705 N.E.2d 748 (11th Dist. 1997).....	7
Round Lake Christian Assembly, Inc. v. Commissioner of Tax Equalization, 4 Ohio App.3d 189, 447 N.E.2d 132, 4 O.B.R. 292 (1982)	10
Seven Hills Schools v. Kinney, 28 Ohio St.3d 186 (1986)	8
Socialer Turnverein v. Bd. of Tax Appeals, 139 Ohio St. 622 (1942)	8
True Christianity Evangelism v. Zaino, 2001-Ohio-295, 91 Ohio St. 3d 117, 742 N.E.2d 638 (2001)	3, 5, 6, 11
W. Res. Academy v. Bd. of Tax Appeals, 153 Ohio St. 133, 41 O.O. 192, 91 N.E.2d 497 (1950)	7

STATUTES

R.C. §5709.07.....	1, 10, 11, 12
R.C. §5709.12.....	1, 2, 3, 11, 12

I. Introduction

Appellant, Grace Cathedral, Inc. (“Grace Cathedral”), puts forth arguments for exemption under separate sections of the Ohio Revised Code for the portion of the property identified as a “dormitory” (the “Dormitory”). The unique utilization of the property gives rise to independent theories of exemption and presents this Court with two distinct vehicles to grant exemption on the Dormitory. Further, this unique utilization presents a case of first impression for this Court.

Grace Cathedral properly identified the two theories of exemption in its Notice of Appeal to the Board of Tax Appeals (“BTA”) and maintains that the BTA erred in application of relevant case law as it relates to the denial of exemption requests under R.C. § 5907.12 or, in the alternative, R.C. § 5907.07. As this Court alluded to in *Moraine Heights Baptist Church v. Kinney*, 12 Ohio St.3d 134, 136 (1984), the presence of an argument for exemption under R.C. § 5907.07 does not preclude Grace Cathedral, or this Court, from considering arguments relating to exemption under R.C. § 5907.12, thus Grace Cathedral properly put forth application under both statutes.

II. Argument

A. The Commissioner’s reliance on the decision of *COGNO* is misplaced.

Tax Commissioner (the “Commissioner”) incorrectly concludes that the Dormitory at issue is merely used to facilitate public worship and thus is not within the scope of R.C. § 5907.12. The Commissioner relies heavily on this Court’s decision in *Church of God in N. Ohio v. Levin*, 124 Ohio St.3d 36, 2009-Ohio-5939, 918 N.E.2d 981 (*COGNO*). However, the facts in the case *sub judice*, and the use of the building subject to the exemption application, are not analogous to *COGNO*. Thus, *COGNO* is not dispositive to this issue as it relates to the

applicability of R.C. § 5709.12. Specifically, Grace Cathedral applied for exemption pursuant to Revised Code § 5709.12(B) which states, in relevant part, that "real and tangible personal property belonging to institutions that is used exclusively for charitable purposes shall be exempt from taxation..." To be exempted from taxation under R.C. § 5709.12, the property must: (1) belong to an institution and (2) be used exclusively for charitable purposes. *Highland Park Owners, Inc. v. Tracy*, 71 Ohio St.3d 405, 406, 644 N.E.2d 284, 286 (1994).

COGNO involves an institution seeking exemption under RC 5709.12 for administrative and corporate activities in support of public worship. There are two primary differences in the case *sub judice* and the *COGNO* case: 1.) The occupants of the building at issue, 2.) The end result of the utilization of the building.

First, the *COGNO* decision identifies the occupants of the building subject of the exemption application as, "office and support staff for Administrative Bishop." *COGNO at 986*. The *COGNO* decision identifies the administrative nature of the building use through the occupants that utilize it. Those that use the *COGNO* building are office and administrative personnel that function in a capacity ancillary to public worship. Grace Cathedral's Dormitory is made available to individuals travelling to attend live services. Most nights throughout the year, particularly weeknights, the Dormitory is completely vacant. Peak usage of the Dormitory occurs on special event weekends. *See Hearing Transcript ("Tr.") of September 16, 2013, at pp. 40-41* No church member, church employee, or other person resides at the Dormitory. *Tr. pp. 20-21*.

Second, the end result of the utilization of the property in *COGNO* resulted in the operation and functioning of the religious organization. In the present case, Grace Cathedral reaches the general public directly through the message of the Grace Cathedral ministries. Here,

Grace Cathedral's utilization of the Dormitory directly benefits those seeking to experience live services of Grace Cathedral and to experience the non-denominational, beneficial message of Grace Cathedral ministries. *Tr. p. 24*. Many visiting individuals are not wealthy and providing these accommodations offers the visiting individuals the opportunity to experience Grace Cathedral's message for the individual's benefit, but also to spread the beneficial message in their hometowns without any requirement of financial contribution. *Tr. pp. 40-41*.

Further, the *COGNO* Court explained, "Our holding in this case is limited to property primarily used to support public worship that is conducted at other locations by local congregations: we hold that such use does not by itself constitute a charitable use of real property." *COGNO at 989*. The reasoning employed by the Court quite clearly identifies administrative support functions in its analysis of merely supportive functions to public worship.

The Commissioner unpersuasively attempts to discredit Grace Cathedral's reliance on *True Christianity Evangelism v. Zaino*, 2001-Ohio-295, 91 Ohio St. 3d 117, 118, 742 N.E.2d 638. *True Christianity* established that religious institutions may not be discriminated against in the consideration of a claim for exemption under R.C. 5709.12(B). When, as here, where a church owned property is 1.) owned by the religious institution, 2.) used in good faith exclusively and primarily in furtherance of an "evangelistic" purpose and for "dissemination of a religious message", and 3.) operated without a view toward profit, then the property should be exempt from taxation under R.C. §5709.12. *True Christianity*, supra at 119. In *COGNO*, the majority opinion emphasized that a church "would stand on equal footing with any other institution in applying to exempt" property devoted to an activity that "actually constitutes charitable use."

B. The Commissioner's assertion that Grace Cathedral's property is not used to benefit "mankind in general" or "those in need of advancement and benefit in particular" and thus is not charitable is unfounded.

The Commissioner's argument that Grace Cathedral's ministry and teachings do not serve the general public is inconsistent with the facts as evidenced in the record. The Commissioner mistakenly asserts that "the dormitories are not open to the general public, but instead are made only available to church members and supporters." *Commissioner's Brief*, 18-23. It is undisputed The record testimony of Cathy Shupe states that in addition to members, other non-members who request to stay at the Dormitory are accommodated. *Tr. p. 62*. While the Commissioner flippantly refers to the benefit of Grace Cathedral's message as a "church in the air" theory, it has been established that a non-denominational religious message has been deemed by this Court to be charitable. *Commissioner's Brief at 15*.

The provision of temporary shelter and lodging to visitors to enable the dissemination of a beneficial message is charitable. The Commissioner echoes *COGNO* in explaining that a utilization of the Dormitory such as a soup kitchen or clothing distribution center for the poor, the property may qualify for the "charitable" exemption. Grace Cathedral's utilization of the Dormitory is already in line with these examples. Grace Cathedral provides the Dormitory free of charge. The provision of temporary shelter is more in line with the provision of food and clothing than merely administrative support to worship services.

The Commissioner argues that Grace Cathedral's dormitory is not used in a manner that satisfies the definition of "charity" set forth in *Planned Parenthood* and its progeny. *Commissioner's Brief at 18*. The record does not reflect this limitation. On the contrary, there is ample evidence in the record that Grace Cathedral's use of the Dormitory satisfies the burden

setting forth the Dormitory's purpose to "advance and benefit mankind in general", and/or to serve "those in need of advancement and benefit in particular." The Court in *Planned Parenthood Assn of Columbus, Inc. v. Tax Commissioner*, 5 Ohio St. 2d 117 (1966), paragraph one of the syllabus, stated that "In the absence of a legislative definition, 'charity', in a legal sense is the attempt in good faith, spiritually, physically, intellectually, socially, and economically to advance and benefit mankind in general, or those in need of advancement and benefit in particular." Cited in *True Christianity*, supra, at 119.

In *Herb Soc. of Am., Inc. v. Tracy*, 71 Ohio St. 3d 374, 376, 643 N.E.2d 1132, 1134 (1994), this Court stated, "The dissemination of useful information to benefit mankind is, traditionally, charity." Further, this Court has found that a message central to encouraging people to read the Bible and to live up to its moral standards is a good-faith attempt to disseminate information to spiritually advance and benefit mankind in general. *True Christianity* at 120. Even if the Commissioner's assertion that the Dormitory is restricted to Grace Cathedral members was supported in the record, an organization cannot be denied recognition as a charitable institution because it restricts membership to selected individuals. *Herb Soc. of Am., Inc. at 376.*

Testimony given at the BTA hearing summarized the charitable purpose or "mission" of Grace Cathedral as "our goal is to help people and spread the gospel." *Tr. p. 36.* In other words, its stated purpose is an evangelistic one, to reach out and share with people around the United States and the World (i.e., the general public) the spiritual message. This is clearly "a good-faith attempt to disseminate information to spiritually advance and benefit mankind in general", and "under the definition of charity followed by this court, applicant's activities constitute charitable purposes." *True Christianity, supra at 120.*

Thus, contrary to the Commissioner's false assertions, the record contains reliable and probative support for the conclusion that Grace Cathedral uses its property primarily and exclusively for the dissemination of a religious message, and as such, fulfills the charitable purpose of "advancing and benefiting mankind in general" and "serving those in need of advancement and benefit in particular." *True Christianity, supra at 119*.

Grace Cathedral utilizes the Dormitory exclusively to further its charitable purpose. This Court has previously defined the term "used exclusively" to mean "primary use." *Id at 120*. The requirement that the use be exclusively charitable "does not extend to unreasonable lengths, but merely requires that the real purpose of the use to which the property is put should be in direct furtherance of the work carried out by the institution. . ." *Elizabeth Gamble Deaconess Home Ass'n v. Schneider, Tax Commr.*, 4 Ohio App. 2d 267, 269 (1965). It is enough if the claiming charitable institution defines its purpose and then shows that the property is used in furtherance of, or incidental to, its purpose. *Grodna v. Kinney*, 16 Ohio App. 3d 89, 92, 474 N.E.2d 658, 662 (1984) see also; *American Chemical Soc. v. Kinney*, 69 Ohio St. 2d 167, 172, 431 N.E.2d 1007 [23 O.O.3d 197] (1982); *Galvin v. Masonic Toledo Trust*, 34 Ohio St. 2d 157, 160, 296 N.E.2d 542 [63 O.O.2d 242] (1973).

Grace Cathedral's message serves to promote spiritual health, to help people and to spread the word of the gospel. Thus, much like the Court found in *True Christianity*, Grace Cathedral, through operation of the Dormitory, disseminates a message for the spiritual advancement and benefit of mankind.

C. The Commissioner's assertion that the "Dormitory" is a residence for the purposes of tax exemption is unfounded.

Ohio has held that a *distinctly* residential use of real property defeats a claim of charitable exemption, even where attendant circumstances indicate the existence of charitable motives. *W. Res. Academy v. Bd. of Tax Appeals*, 153 Ohio St. 133, 41 O.O. 192, 91 N.E.2d 497 (1950). However, the Dormitory is not distinctly for residential use. The fact that individuals do periodically sleep in the building does not outweigh the established charitable use.

Although courts have had difficulty in precisely defining "residence," definitions of "residence" range from "a place of abode for more than a temporary period of time" to "a permanent and established home." *Prudential Prop. & Cas. Ins. Co. v. Koby*, 124 Ohio App. 3d 174, 177, 705 N.E.2d 748 (11th Dist. 1997) (quoting *Great Am. Ins. Co. v. Allstate Ins. Co.*, 78 N.C. App. 653, 338 S.E.2d 145, 147 (N.C. App. 1986)). None of the visitors come to the Dormitory intending to stay permanently or even stay for more than several days. Visitors generally stay, at most, only a weekend. The longest a visitor has stayed was for two consecutive weekends. There is no definition of "residence" that the Dormitory satisfies.

A parsonage serves as a personal residence for one or more clergy members. The Dormitory does not serve as anyone's residence. In determining that parsonages are not exempt, the Supreme Court has relied on the rationale that parsonages are private residences. *Faith Fellowship Ministries, Inc. v. Limbach*, 32 Ohio St. 3d 432, 435, 513 N.E.2d 1340 (1987). The Court has found that the private residence of a clergy is no more essential to public worship than the residences of members of the congregation. *Id.* Here, none of the clergy of Grace Cathedral, or any of Grace Cathedral's employees reside at the Dormitory. The visitors to the Dormitory who are provided only short-term lodging maintain residences other than the Dormitory. The

visitors to the Dormitory remain responsible for the taxes on their residences that may be imposed by the states or foreign countries in which they reside. If a visitor came from another part of Ohio, his or her residence would still be liable for the real property taxes imposed on the residence.

D. The Commissioner's arguments stating the Dormitory is operated to benefit for-profit subsidiaries are speculative and not supported by the record.

The Commissioner's Brief meanders through unfounded speculation and inapposite case citation in a failed attempt to suggest that the Dormitory is utilized and operated for profit. The Commissioner's citation to multiple inapposite cases involving exchanges of dues or money is inapplicable to the case at bar. The record is void of any evidence suggesting the Dormitory is not offered free of charge and without expectation of gain or profit. Undeterred, the Commissioner attempts to persuade this Court that the utilization of the Dormitory is the basis for a quid pro quo transaction between Grace Cathedral and those staying at the Dormitory. The citation to cases such as *Olmsted Falls Bd. of Ed. v. Tracy*, 77 Ohio St.3d, 393, 397 (1997), *Ohio Masonic Home v. Bd. of Tax Appeals*, 52 Ohio St.2d 127, 130 (1977), *Socialer Turnverein v. Bd. of Tax Appeals*, 139 Ohio St. 622 (1942) and *Seven Hills Schools v. Kinney*, 28 Ohio St.3d 186 (1986) among others does not advance the analysis of the present situation, but rather burdens the Court with wholly inapplicable case law. *Commissioner's Brief at 30-31*. Each of those cases involve a direct, unambiguous monetary exchange for a benefit.

The Commissioner argues at length that the providing of the Dormitory is not a 'gift.' The definition referenced numerous times throughout the Commissioner's Brief is that a gift is goods or services provided for free without expectation of profit or gain. The Commissioner goes as far to suggest that those staying at the Dormitory are "strongly encouraged" to donate to Grace

Cathedral. *Commissioner Brief at 3*. The record actually reflects that there is no expectation of donations or any other quid pro quo in the operation of the Dormitory. When asked about whether those staying at the Dormitory donate to Grace Cathedral, Cathy Shupe testified unequivocally, “[Donation] is not required.” *Tr. at 60*.

Of course, as a non-profit, Grace Cathedral operates through donations made to the ministry. Those staying at the Dormitory and attending services are presented with an opportunity to donate through Grace Cathedral’s offering segment of services. Whether it is Planned Parenthood or Goodwill, any non-profit will surely make known that donations are appreciated. Much like those non-profit, exempt organizations, Grace Cathedral does not expressly seek donations prior to carrying out its charitable purpose. However, the opportunity to donate is made known. The Commissioner interprets the presence of information regarding the ability to donate in the present case as a mandate that donations are required. That is false and unsupported by the record.

Likewise, there is no pressure or expectation that those people staying at the Dormitory are to dine at Cathedral Buffet. *Tr. p. 68*. The record’s reflection that Grace Cathedral carries no expectation of gain or profit is continuous and unwavering. The charitable intent of the Dormitory operation is thus satisfied. Thus, the Commissioner’s unfounded speculation that the Dormitory is operated with a view towards profit and without requisite charitable intent is off base. Commissioner’s attempt to equate the present case with *Commissioner v. Duberstein*, 363 U.S. 278 (1960) is inappropriate. The *Duberstein* case involved the provision of a car for the expectation of future business leads and is inapplicable to the case at bar.

As part of its kitchen sink argument and analysis, the Commissioner further suggests that Grace Cathedral is merely holding the Dormitory open for resale of the property. The argument

is based on what Grace Cathedral could potentially do rather than what it is presently doing with the Dormitory. More importantly, that speculation is wholly unsupported in the record.

E. Alternatively, the Dormitory is utilized in a way that facilitates attendance at live religious services that have a global reach and impact and must be deemed a place of public worship. Thus, the subject property is exempt from taxation pursuant to R.C. § 5709.07.

"Houses used exclusively for public worship, the books and furniture in them, and the ground attached to them that is not leased or otherwise used with a view to profit and that is necessary for their proper occupancy, use, and enjoyment" are exempt from taxation. R.C. § 5709.07(A)(2). The phrase "exclusively for public worship" is not to be construed so literally so as to preclude exemption for property "designed to encourage people to use the church for public worship." *Bishop of Roman Catholic Diocese v. Kinney*, 2 Ohio St. 3d 52, 53, 442 N.E.2d 764 (1982).

The Dormitory directly and primarily provides for the proper occupancy, use, and enjoyment of the Grace Cathedral church for public worship. Grace Cathedral's global ministry is such that visitors travel from significant distances, including travel from other states and foreign countries, to participate in public worship and to stay on the Grace Cathedral property free of charge, which encourages and enables visitors to participate in services. The "Dormitory" is an extension of the worship experience and is utilized in continuing fellowship, religious discussion and religious learning.

The Commissioner argues that the *Moraine Hts. Baptist Church v. Kinney* (1984) 12 Ohio St. 3d 134, is dispositive to the argument under R.C. § 5907.07. Grace Cathedral brought the decision of *Round Lake Christian Assembly, Inc. v. Commissioner of Tax Equalization*, 4

Ohio App.3d 189, 447 N.E.2d 132, 4 O.B.R. 292 (1982) (still good law in the 5th District as it has not been expressly overturned) to the Court's attention in addressing dormitory structures in religious retreat scenarios. *Moraine Hts.* involved a 49 acre church camp that sought exemption solely as a house of public worship under R.C. 5709.07. This Court exempted the camp chapel but denied exemption for the swimming pool, basketball and shuffleboard courts, and the remainder of the unimproved property. In doing so, this Court held that "unlike the exemption under R.C. 5709.12, ...the exemption contained under R.C. 5709.07... is more restrictive, exempting only "houses used exclusively for public worship... and the ground attached to such buildings necessary for the proper occupancy, use and enjoyment thereof...". *Id.* at 137. The primary difference in the instant case is that unlike *Moraine Hts.*, there are no other recreational activities, such as swimming, basketball, etc... occurring as a result of the stay at the Dormitory. The record reflects the reason for occupancy for the Grace Cathedral Dormitory is to participate in live services and to receive the message of Grace Cathedral ministries.

III. CONCLUSION

The only evidence presented before the BTA established by reliable and probative evidence that the subject property is owned by an institution and is used exclusively in furtherance of its charitable purposes and without a view toward profit. When the primary purpose of the property is "an evangelistic one" and "dissemination of a religious message", the property is exempt from taxation under R.C. § 5709.12. *True Christianity*, *supra* at 119. "A good-faith attempt to disseminate information to spiritually advance and benefit mankind in general" constitutes a charitable purpose "under the definition of charity followed by this court," *Id.* at 120.

In an application for real property tax exemption under R.C. § 5709.12, the Court must consider how the property is currently being used, rather than how it might be used. The manifest weight of the evidence clearly indicates that Grace Cathedral does not use the property for any profit making activities, but rather in support of and in furtherance of its lawful charitable purposes.

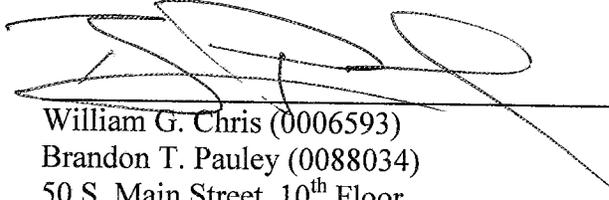
If operated without a view toward profit, an institution using its real property exclusively for the lawful advancement of religion is an institution using its property exclusively for charitable purposes within the meaning of R.C. 5709.12. *Am. Comm. of Rabbinical Coll. of Telshe v. Bd. of Tax Appeals*, 148 Ohio St. 654, 76 N.E.2d 719 (1947). The requirement that the use be exclusively charitable does not extend to unreasonable lengths, but merely requires that the real purpose of the use to which the property is put should be in direct furtherance of the work carried out by the institution. *Elizabeth Gamble Deaconess Home Ass'n, supra* at 269.

Further, Grace Cathedral utilizes the Dormitory to directly and primarily provide for the proper occupancy, use, and enjoyment of the Grace Cathedral church for public worship. The unique scope of the Grace Cathedral ministries makes operation of the Dormitory, free of charge and with no view towards profit, necessary for public worship at Grace Cathedral. Thus, the Dormitory should fall under the R.C. § 5907.07 exemption.

The denial of exemption by the Tax Commissioner and the Board of Tax Appeals rests upon legal error, thus the BTA's decision must be reversed. Thus, Grace Cathedral respectfully prays for this Court to reverse and vacate the decision of the BTA and find that the Grace Cathedral Dormitory is exempt from taxation under R.C. § 5709.12 or, in the alternative, R.C. § 5709.07.

Respectfully submitted,

RODERICK LINTON BELFANCE, LLP



William G. Chris (0006593)
Brandon T. Pauley (0088034)
50 S. Main Street, 10th Floor
Akron, Ohio 44308-1828
Phone: (330) 434-3000
Fax: (330) 434-9220
E-mail: wchris@rlbllp.com

Attorneys for Appellant, Grace Cathedral, Inc.

CERTIFICATE OF SERVICE

I hereby certify that the foregoing Reply Brief of Appellant was sent by regular U.S. Mail this 14th day of August, 2014, to Joseph W. Testa, Tax Commissioner of Ohio, Ohio Department of Taxation, 4485 Northland Ridge Boulevard, Columbus, Ohio 43229; and upon Attorney Michael DeWine, Office of Ohio Attorney General, 30 E. Broad Street, 25th Floor, Columbus, Ohio 43215.



Brandon T. Pauley (0088034)