

NOT FOR PUBLICATION WITHOUT APPROVAL OF
THE TAX COURT COMMITTEE ON OPINIONS

TAX COURT OF NEW JERSEY

Patrick DeAlmeida
Presiding Judge



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Re: Sakima Country Club v. Township of Carney's Point
Docket No. 015171-2009
Docket No. 013916-2010

Dear Counsel:

This letter constitutes the court's opinion with respect to the parties' cross-motions for summary judgment. The question before the court is whether real property owned by plaintiff in Carney's Point Township is exempt from local property taxes pursuant to N.J.S.A. 54:4-3.6 for tax years 2009 and 2010. For the reasons explained more fully below, the court concludes that the subject property does not satisfy the statutory criteria for exemption. As a result, the court denies the taxpayer's motion for summary judgment and grants the township's cross-motion for summary judgment. The court will enter Judgments denying the taxpayer's claim to an exemption.

I. Findings of Fact and Procedural History

The following findings of fact are based on the certifications and exhibits submitted by the parties with respect to plaintiff's motion. R. 1:7-4.

Plaintiff Sakima Country Club ("SCC") is the owner of real property in defendant Carney's Point Township. SCC seeks an exemption for its property, which is designated in the records of the municipality as Block 170, Lot 3 and is commonly known as 383 Shell Road.

SCC was originally incorporated in 1931 as the Dupont Penns-Grove Country Club, a non-profit entity. According to its Certificate of Incorporation, "the purpose for which such corporation is formed is to promote the social, literary and athletic welfare and pleasure of its members." Although SCC is a non-profit entity, there is nothing in its incorporating documents that limits compensation to the entity's officers, directs that the organization's funds be dedicated to charitable purposes, or provides for the distribution of corporate assets to non-profit entities upon dissolution of the organization.

On March 16, 1961, the organization changed its name to the Sakima Country Club. At that time, SCC adopted a Constitution and By-Laws. According to Article II of the SCC Constitution, the "object of the Club shall be to promote the recreational activities of its members and to maintain a Club House and its grounds for their use." Individuals interested in membership in SCC must apply. A membership committee investigates applicants and reports its findings to the SCC's Board of Governors. A two-thirds affirmative vote of the Board of Governors is necessary to be accepted into membership.

All SCC members are required to pay dues. Any member delinquent in the payment of dues shall have his name posted in the SCC clubhouse as a delinquent member and is, after a period of time, declared ineligible to enjoy the benefits of membership. This is consistent with a

statement by SCC's counsel at oral argument that the organization cannot allow "free riders." No provision in the SCC Constitution or By-Laws dedicates any portion of revenue from membership dues to charitable or other purposes. The dues are used to support the operation of the clubhouse for SCC members and to maintain a golf course on an adjoining parcel that is not the subject of this appeal.

The SCC Constitution provides for seven Committees of members. Apart from the Finance Committee, which has general supervisory control of SCC's finances, the member Committees are dedicated to the social and recreational pursuits of SCC's members: the Social Committee, the House Committee, the Greens Committee, the Golf Committee, the Swimming Pool Committee, and the Bowling Committee. No member Committee is charged with organizing or supervising charitable events, contributions, or community outreach.

The Constitution provides that the members of the Board of Governors shall receive no compensation for their services. No provision in the Constitution or By-Laws provides for the distribution of corporate assets to non-profit entities upon dissolution of the organization.

The subject property is 2.81 acres on which is located a clubhouse, parking lot, an in-ground pool, and a barn, which is used to store the privately-owned golf carts of SCC members. The club house has a banquet room, locker rooms, a kitchen, a small office, a members' lounge, which serves food, and a bar. Members of the public may not enter the clubhouse to use the facilities or order food and beverages. SCC's liquor license permits the sale of alcohol only to club members and their guests. N.J.A.C. 13:2-8.1, et seq. According to SCC's By-Laws, "use of the Club House facilities is restricted to Club members and regularly scheduled Club functions." Members are permitted to bring guests to the clubhouse and may use the clubhouse for non-SCC functions when doing so will not interfere with club functions. In addition, "use of the Club

House facilities may be granted to other than Club members on recommendation of the House Chairman and majority approval of the Board of Governors. Fees for such use shall be determined by the Board of Governors.” Pursuant to this provision, SCC charges for the use of the banquet room at the clubhouse by guests of members and persons recommended by members. The banquet room is not available for rent to the general public.¹

A nine-hole golf course with which SCC is associated is not located on the subject property. A contiguous 52-acre parcel owned by a for-profit chemical corporation houses all of the greens, fairways, tees and holes of the golf course. SCC rents this parcel, for which an exemption is not claimed. No golfing takes place on the subject property.

A review of the finances of SCC reveals that apart from membership dues, the sale of beer, wine, liquor and food to SCC members and their guests constitutes the lion’s share of SCC’s income. In 2008, SCC realized \$384,228 in income. Of that amount, \$222,695, or approximately 57.96%, is attributable to dues. Of the remaining \$161,533 in income, \$109,182, or 67.60% of non-membership dues income, is attributable to food and beverages. Of that amount, \$93,635 is attributable to the sale of beer, wine and liquor to SCC members and their guests. SCC also realizes income from green fees, rental payments for the storage of members’ private golf carts in the barn, a “pro shop,” which is, effectively, income from employees ordering golf supplies for SCC members, and rentals of the banquet space at the clubhouse. Only \$2,058 of 2008 income is attributed to “fundraiser,” a designation not fully explained in the motion record. SCC’s financial records show no charitable contributions, gifts, or grants, which

¹ Notably, the page of the By-Laws that contains restrictions on the use of the SCC clubhouse was not included in the version of the By-Laws attached to the taxpayer’s moving papers. The municipality attached to its cross-motion a complete version of the By-Laws which included the critical page.

are often associated with non-profit entities that have a social benefit beyond their members' interests. After deduction for expenses, all of which appear to be related to employee compensation and the maintenance of the clubhouse and grounds, SCC showed \$18,477 in income for 2008.

In 2009, SCC's gross income increased to \$424,986. Of that amount, \$224,479, or 52.82%, is attributable to membership dues. Of the remaining \$200,507 in income, \$113,951, or 56.83%, is attributable to the sale of food and beverages to SCC members and their guests. In 2009, SCC realized \$100,454 from the sale of beer, wine and liquor to members and guests. SCC reported \$1,527 in contributions, gifts and grants for 2009. An officer of SCC explained the gifts to represent the payment of fees to allow members to play in tournaments off of the premises. The 2009 financial records also show \$2,848 attributed to "fund raiser." After deduction of expenses, all of which appear to be related to employee compensation and the maintenance of the clubhouse and grounds, SCC showed \$5,824 in income for 2009.

The only evidence in the record of charitable activities by SCC are representations by an SCC officer that during the relevant tax years the organization allowed a local high school golf team and a local college golf team to play on the golf course and use the clubhouse free of charge. There is a decided lack of precision in the record with respect to the frequency of such uses, their duration, and whether the teams were permitted to use the golf course and clubhouse at times that members of SCC wished to play golf. Nor is there any detailed description of what activities were undertaken by the student athletes on the subject property, as opposed to on the property owned by the chemical company which houses the golf course. At oral argument, counsel speculated that the students might "get a hot dog and soda" at the clubhouse after golfing but are not considered to have all of the social privileges of SCC members. At his deposition, an

SCC officer conceded that the taxpayer is not involved in the particular activities of the students while they are on the property and offers no program for the development of their golfing skills, other than offering the free use of the golf course. Viewed in the light most favorable to the taxpayer, the motion record supports the conclusion that the student athletes' use of the clubhouse is, at best, incidental to their use of the golf course without the active involvement of SCC, its members or its employees.

In addition, SCC makes its banquet facility available from time to time during the course of the year free of charge to other organizations, such as the local volunteer fire department, for fundraising events. As was the case with the student golfers, the record contains no precise information with respect to the frequency of such events, their duration, and whether these fundraising affairs take place at times that the banquet facility might otherwise be rented to non-members. At his deposition, an SCC officer estimated that on average the banquet facilities have been used without cost for charitable events for ten weekends per year.

On or about November 1, 2008, SCC applied for an exemption for the subject property for tax year 2009. Neither party produced a copy of SCC's exemption application. It is, therefore, not clear the basis on which SCC claimed exemption. It is undisputed, however, that the tax assessor denied the application.

SCC thereafter filed an appeal of the assessor's decision with the Salem County Board of Taxation. SCC did not produce a copy of its county board Petition of Appeal. It is, therefore, not clear the basis on which SCC claimed exemption before the county board. It is undisputed, however, that the county board affirmed the assessor's denial of an exemption.

On August 20, 2009, SCC filed a Complaint in this court challenging the Judgment of the county board. Although the Complaint alleges that a copy of the county board's Judgment is

attached, that allegation is not accurate. No copy of the county board's Judgment with respect to tax year 2009 is attached to the Complaint. A failure to attach the county board's Judgment is contrary to the requirements of R. 8:3-5(a)(1). Nor was a copy of the Judgment produced in support of SCC's motion for summary judgment. It is, therefore, not possible to determine the basis of the county board's decision.

The Complaint alleges that the subject property is exempt from local property taxes pursuant to N.J.S.A. 54:4-3.26. That statutory provision applies to property used in the work of and for the purposes of fraternal organizations or lodges. The Complaint, however, contains an allegation that SCC is organized for the moral and mental improvement of the men, women and children that comprise its membership. The exemption for real property used in the work of associations and corporations organized exclusively for the moral and mental improvement of men, women and children is set forth in N.J.S.A. 54:4-3.6. It is not clear if the reference to N.J.S.A. 54:4-3.26 in the Complaint is a typographical error.

The Case Information Statement filed by SCC for tax year 2009 does not assist in resolving this question. The Complaint initially did not include the Case Information Statement required by court rules. See R. 8:3-5(a)(1). SCC was notified of this omission. On October 14, 2009, SCC filed an incomplete Case Information Statement. SCC failed to identify on the Case Information Statement the Block and Lot designation of the property that is the subject of its appeal. In addition, in the space on the Case Information Statement asking if an exemption is claimed, SCC checked "yes" but when asked for the "type" of exemption merely stated "NJSA." No statutory citation follows. As a result, it is unclear if SCC's Complaint claimed an exemption for 2009 under N.J.S.A. 54:4-3.26 or N.J.S.A. 54:4-3.6.

On October 16, 2009, the court sent SCC's counsel a notice informing him of the failure to include a copy of the Judgment of the county board with the Complaint. He was directed to "transmit the deficiencies listed below in order to proceed with scheduling this matter." As noted above, the deficiency was never corrected and this important element of the procedural history of this matter has never been produced by SCC.

It is not clear if SCC filed an application with the tax assessor for an exemption for tax year 2010. It did, however, file a Petition of Appeal with the Salem County Board of Taxation seeking an exemption. On June 8, 2010, the board issued a Judgment dismissing SCC's petition without prejudice because an appeal for a prior tax year was pending in the Tax Court.

On July 28, 2010, SCC filed a Complaint in this court seeking an exemption for the subject property for tax year 2010. The Complaint again alleges that the subject property is exempt from local property taxes pursuant to N.J.S.A. 54:4-3.26, the provision applicable to property used in the work of fraternal organizations or lodges. The Case Information Statement for tax year 2010 indicates that an exemption is sought pursuant to N.J.S.A. 54:4-3.6, the provision applicable to property used in the work of associations and corporations organized exclusively for the moral and mental improvement of men, women and children. The disparity between the Complaint and the Case Information Statement is not explained.

On May 31, 2013, SCC moved pursuant to R. 4:46-2 for summary judgment in its favor. The taxpayer seeks an Order declaring the subject property exempt from local property taxes pursuant to N.J.S.A. 54:4-3.6 for tax years 2009 and 2010.² There is no mention of N.J.S.A.

² SCC's moving papers seek an Order declaring the subject property exempt from local property taxes for tax years 2011, 2012 and 2013 as well. The assessment and taxation of real property is an annual event, with each tax year standing as a separate assessment. N.J.S.A. 54:4-23. The use of a property, which is critical to the applicability of an exemption, may change

54:4-3.26 in SCC's moving papers. The court concludes that if SCC intended to raise a claim of exemption under N.J.S.A. 54:4-3.26 the claim has been waived.

On July 2, 2013, the municipality opposed the taxpayer's motion and cross-moved for summary judgment in its favor. The court thereafter heard oral argument from counsel.

II. Conclusions of Law

Summary judgment should be granted where the pleadings, depositions, answers to interrogatories and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact challenged and that the moving party is entitled to a judgment or order as a matter of law. R. 4:46-2(c). In Brill v. Guardian Life Ins. Co. of Amer., 142 N.J. 520, 523 (1995), our Supreme Court established the standard for summary judgment as follows:

[W]hen deciding a motion for summary judgment under Rule 4:46-2, the determination whether there exists a genuine issue with respect to a material fact challenged requires the motion judge to consider whether the competent evidential materials presented, when viewed in the light most favorable to the non-moving party in consideration of the applicable evidentiary standard, are

from year to year, underlining the need for a careful review of facts applicable to each tax year. See N.J.S.A. 54:4-4.4 (requiring assessor to obtain a statement from the property owner concerning the claimed exempt status of property every three years); Blair Acad. v. Township of Blairstown, 95 N.J. Super. 583, 593 (App. Div.) (determination of tax exemption as to one year did not become conclusive and binding as to subsequent year on the issue of tax exemption), certif. denied, 50 N.J. 293 (1967). In addition, the "right to appeal a real property assessment is statutory, and the appellant is required to comply with all applicable statutory requirements." Macleod v. City of Hoboken, 330 N.J. Super. 502, 505 (App. Div. 2000) (quoting F.M.C. Stores Co. v. Borough of Morris Plains, 195 N.J. Super. 373, 381 (App. Div. 1984), aff'd, 100 N.J. 418 (1985)). The statutory scheme establishing this court's jurisdiction is "one with which continuing strict and unerring compliance must be observed . . ." McMahon v. City of Newark, 195 N.J. 526, 543 (2008). In order to establish jurisdiction in this court to determine whether a parcel is exempt for a particular tax year, the taxpayer must file a Complaint for that tax year within the time allowed by N.J.S.A. 54:3-21. SCC did not file a timely Complaint in this court with respect to tax years 2011, 2012 and 2013. This court, therefore, has no jurisdiction to reward relief with respect to those tax years.

sufficient to permit a rational factfinder to resolve the alleged disputed issue in favor of the non-moving party.

“The express import of the Brill decision was to ‘encourage trial courts not to refrain from granting summary judgment when the proper circumstances present themselves.’” Township of Howell v. Monmouth County Bd. of Taxation, 18 N.J. Tax 149, 153 (Tax 1999)(quoting Brill, supra, 142 N.J. at 541). The court concludes that no genuine issues of material fact exist with respect to plaintiff’s claim for an exemption for the subject property for the relevant tax years.

The Legislature has provided an exemption from local property taxes for

all buildings actually used in the work of associations and corporations organized exclusively for the moral and mental improvement of men, women and children

[N.J.S.A. 54:4-3.6.]

The exemption applies only if the use of the building is “not conducted for profit” and the entity seeking the exemption is a non-profit entity that “owns the property in question and is incorporated or organized under the laws of this State and authorized to carry out the purposes on account of which the exemption is claimed” Ibid.

If a building is found to be exempt, “the land whereon any of the buildings . . . are erected, and which may be necessary for the fair enjoyment thereof, and which is devoted to the purposes above mentioned and to no other purpose and does not exceed five acres” is also exempt. Ibid.

Because they represent a departure from the fundamental approach that all property owners bear their fair share of the local property tax burden “[t]ax exemption statutes are strictly construed, and the burden of proving entitlement to an exemption is on the party seeking it.” Abunda Life Church of Body, Mind & Spirit v. City of Asbury Park, 18 N.J. Tax 483, 485 (App.

Div. 1999)(citing New Jersey Carpenters Apprentice Training and Educ. Fund v. Borough of Kenilworth, 147 N.J. 171, 177-78 (1996), cert. denied, 520 U.S. 1241, 117 S. Ct. 1845, 137 L. Ed. 2d 1048 (1997); Princeton Univ. Press v. Borough of Princeton, 35 N.J. 209, 214 (1961)). “[A]ll doubts are resolved against those seeking the benefit of a statutory exemption” Chester Borough v. World Challenge, Inc., 14 N.J. Tax 20, 27 (Tax 1994)(quoting Township of Teaneck v. Lutheran Bible Inst., 20 N.J. 86, 90 (1955)). These standards, however, do “not justify distorting the language or the legislative intent” of the exemption statute. Boys’ Club of Clifton, Inc. v. Township of Jefferson, 72 N.J. 389, 398 (1977). “[W]hile the construction of the applicable statute must be strict, it must also be reasonable.” Phillipsburg Riverview Org., Inc. v. Town of Phillipsburg, 26 N.J. Tax 167, 175 (Tax 2011), aff’d, 27 N.J. Tax 188 (App. Div.), certif. denied, 215 N.J. 486 (2013); accord International School Serv., Inc. v. Township of West Windsor, 412 N.J. Super. 511, 524 (App. Div. 2010), aff’d, 207 N.J. 3 (2011). “The rule of strict construction must not defeat the evident legislation design.” Phillipsburg, supra, 26 N.J. Tax at 175.

Our Supreme Court has established a three-prong test to determine whether property is exempt under the moral and mental improvement provision of N.J.S.A. 54:4-3.6. A claimant must demonstrate that: (1) it is organized exclusively for the moral and mental improvement of men, women and children; (2) the subject property must actually be used for the tax exempt purpose; and (3) the operation and use of the property must not be conducted for profit. Paper Mill Playhouse v. Township of Millburn, 95 N.J. 503, 506 (1984).³ The prongs are addressed in turn.

³ At the time Paper Mill Playhouse, supra, was decided, N.J.S.A. 54:4-3.6 required that the subject property be actually and exclusively used for the tax exempt purpose. The statute has

(1) Organized exclusively for the moral and mental improvement of men, women and children.

Whether an entity is organized exclusively for the moral and mental improvement of men, women and children must be determined from the property owner's organizational documents. Black United Fund of N.J. v. City of East Orange, 17 N.J. Tax 446, 455 (Tax 1998), aff'd, 339 N.J. Super. 462 (App. Div. 2001); 1711 Third Avenue, Inc. v. City of Asbury Park, 16 N.J. Tax 174, 180 (Tax 1996); Planned Parenthood v. City of Hackensack, 12 N.J. Tax 598, 610 n. 6 (Tax 1992), aff'd, 14 N.J. Tax 171 (App. Div. 1993). "There is no legislative delineation of the 'moral and mental' improvement classification in the exemption statute. The cluster of abstract concepts themselves suggest that, at most, only a descriptive definition is contemplated." Chester Theater Group v. Borough of Chester, 115 N.J. Super. 360, 364 (App. Div. 1971). The property owner's activities, however, must provide "an important public service" to qualify for the exemption. Town of Bloomfield v. The Academy of Medicine, 47 N.J. 358, 362-66 (1966).

SCC's organizational documents explicitly provide that the taxpayer is dedicated to the welfare and pleasure of its members. The 1961 Constitution, which plaintiff concedes was the controlling document during the relevant tax years, provides that the "object of the Club shall be to promote the recreational activities of its members and to maintain a Club House and its grounds for their use." There is no greater purpose to the SCC than that described in its Constitution. The public is not free to enter the clubhouse, enjoy its facilities, eat, drink or socialize on the premises. None of the funds collected by the SCC from its members are earmarked for public purposes. The organization has no organized program involving financial contributions to the needy. Nor does the SCC have an identified charitable or beneficial purpose

since been amended to eliminate the exclusivity requirement. L. 1985, c. 395. Secondary School Admissions Test Bd., Inc. v. Borough of Princeton, 13 N.J. Tax 467, 478 n. 7 (Tax 1993).

in its organization documents. The club exists to provide for the social enjoyment of its paying members and, on occasion, their guests. This fact is reflected in SCC's financial documents, which demonstrate that the lion's share of SCC's income is derived from membership dues and the sale of beer, wine and liquor to SCC members and their guests. SCC is a private social club.

The organization, therefore, is unlike the entities that were the subject of legal precedents in which the courts found property to be exempt under the moral and mental improvement provision of N.J.S.A. 54:4-3.6. For example, in Paper Mill, supra, the seminal opinion in this area, the taxpayer was organized "to promote 'a greater interest in and a greater appreciation of art, music, drama, history, literature, education and the theater [in New Jersey].'" 95 N.J. at 507. The organization was dedicated to carrying out these purposes through the representation of performances open to the public. Ibid. In Chester Theater Group, supra, the taxpayer was "organized 'to stimulate, perpetuate and develop interest in the dramatic arts and to educate the general public in the arts.'" 115 N.J. Super. at 361. The group carried out this purpose by providing artistic performances open to the public. Id. at 362. In addition, the exemption has been applied "to nonprofit organizations which directly serve the general public by promoting, making available and distributing scholarly and scientific materials and information to the general public." Church Contribution Trust v. Borough of Mendham, 9 N.J. Tax 299, 309 (Tax 1987), aff'd, 224 N.J. Super. 643 (App. Div. 1988); see also Academy of Med., supra; Princeton Univ. Trust, supra).

While SCC may permit student athletes and non-profit groups to use its property free of charge on occasion, the organization is a far cry from the community group found to be entitled to an exemption under the moral and mental improvement provision of N.J.S.A. 54:4-3.6 in City of Elizabeth v. Bayway Community Center, 19 N.J. Misc. 263 (Bd. of Tax Appeals 1941):

Respondent is an incorporated organization formed for purposes of charity, and the moral and mental improvement of adults and children residing in what is known as the Bayway section of the City of Elizabeth. The proof shows abundant fulfillment of those purposes, in a literal sense. The buildings and land under appeal . . . are exclusively used to house a veritable multitude of activities, too numerous to recount here in detail, charitable, social and educational in nature, for the benefit of thousands of working class families in the neighborhood of the property, at little or no cost whatever to such persons. The enterprise is financed through private philanthropy, primarily that of Mrs. John D. Rockefeller, Jr., and the Standard Oil Company of New Jersey.

Unlike these organizations, SCC is not exclusively organized for the “moral and mental improvement of men, women and children.” It is primarily dedicated to a private purpose. As the Court noted in Camden Lodge No. 111 v. City of Camden, 135 N.J.L. 532, 534 (Sup. Ct. 1947), where a “building, except an office, is used for the operation of a bar, cocktail lounge, grill and card rooms” for members of a private organization, an exemption under the moral and mental improvement provision of N.J.S.A. 54:4-3.6 is not applicable. While such “use may encourage social intercourse among the members” of the organization, it cannot be said that such activity furthers the moral and mental improvement of men, women and children within the meaning of N.J.S.A. 54:4-3.6. Ibid.

The mere fact that SCC engages in charitable acts, while laudable, does not transform the organization into one dedicated exclusively to the moral and mental improvement of men, women and children. Many organizations and corporate entities engage in charitable acts, including lending the use of their real property to charitable endeavors. These incidences of good citizenship do not, however, change an otherwise taxable property into an exempt parcel. The Legislature limited the exemption to property owned by entities organized exclusively for the moral and mental improvement of men, women and children and which use the property for

that purpose. The exemption does not apply to property that is sometimes used for charitable events, but is otherwise dedicated to a private purpose. SCC, therefore, does not satisfy the first prong of the Paper Mill test.

(2) The subject property must actually be used for the tax exempt purpose.

SCC's failure to satisfy the first prong of the Paper Mill test is enough, standing alone, to grant summary judgment in favor of the municipality. The court, however, notes that SCC also fails the second prong of the test. The subject property is used primarily as a place for SCC's dues-paying members to relax, socialize, dine and consume alcoholic beverages. The moral and mental improvement of men, women and children, as that term is used in N.J.S.A. 54:4-3.6, is not furthered by those activities. In addition, the activities of student athletes at SCC largely, if not entirely, take place on the golf course property and not in the clubhouse. The record is silent with respect to what, if anything, the student athletes do on the clubhouse property, except, perhaps, buy refreshments after they play golf on the neighboring property.⁴ Finally, as noted above, the periodic use of the clubhouse property for charitable fundraising activities does not constitute use of the property for the moral and mental improvement of men, women and children within the meaning of N.J.S.A. 54:4-3.6. To hold otherwise would extend the moral

⁴ At oral argument, SCC's counsel urged the court to consider SCC to have an ownership interest in the golf course lot because of its long-time tenancy. Counsel suggested that the SCC favorably compares to a tenant with a 99-year lease that might, in some circumstances, be considered to have an ownership interest in property. He conceded, however, that SCC does not have a 99-year lease on the golf course property, estimating, instead, that the current lease is for somewhere in the 10- to 20-year range. Neither the current lease, past leases nor documentary evidence detailing the history of SCC tenancy at the golf course property is in the motion record. It is not possible, therefore, for the court to make findings of fact with respect to SCC's tenancy. Findings of fact on this point are not necessary to decide the parties' cross-motions, given that neither the chemical company that owns the golf course parcel nor SCC filed for an exemption for that property for either of the tax years at issue here.

and mental improvement exemption to the real property of any entity that occasionally permits charitable events to take place on its land. N.J.S.A. 54:4-3.6 is not so broad.

(3) The operation and use of the property must not be conducted for profit.

The court makes no finding with respect to the third prong of the Paper Mill test.

Having determined that SCC does not meet the statutory criteria for an exemption under N.J.S.A. 54:4-3.6, the court denies the taxpayer's motion for summary judgment and grants the municipality's cross-motion for summary judgment. The court will enter Judgments denying the exemption for the subject property for tax years 2009 and 2010.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Patrick DeAlmeida".

Patrick DeAlmeida, P.J.T.C.