

Title: Walz v. Tax Commission of the City of New York, 397 U.S. 664 (1970)

Facts:

New York law granted property tax exemptions to religious organizations for religious properties used solely for religious worship. This exemption is authorized by N.Y. Constitution, which stated: “Under this provision, exemptions from taxation may be granted only by general laws. Exemptions may be altered or repealed except those exempting real or personal property used exclusively for religious, educational or charitable purposes as defined by law and owned by any corporation or association organized or conducted exclusively for one or more of such purposes and not operating for profit.”

This exemption is implemented by N.Y. Real Prop. Tax Law § 420(1). “Real property owned by a corporation or association organized exclusively for the moral or mental improvement of men and women, or for religious, Bible, tract, charitable, benevolent, missionary, hospital, infirmary, educational, public playground, scientific, literary, bar association, medical society, library, patriotic, historical or cemetery purposes and used exclusively for carrying out thereupon one or more of such purposes shall be exempt from taxation as provided in this section.”

Issue:

Does the grants of tax exemption to religious organizations do not violate the Establishment Clause of the First Amendment?

Holding: NO. (7-1)

Reasoning:

The Court held that there was no nexus between these tax exemptions and the establishment of religion, and that federal or state grants of tax exemption to churches did not violate the First Amendment:

(1) exemptions were granted to all houses of religious worship within a broad class of property owned by nonprofit, quasi-public corporations which included hospitals, libraries, playgrounds, and scientific, professional, historical, and patriotic groups, and the legislative purpose was thus not aimed at establishing, sponsoring, or supporting religion, and

(2) the exemptions for religious organizations created only a minimal and remote involvement between church and state, and far less of an involvement than would be created by taxation of churches, and the effect of the exemptions was thus not an excessive government entanglement with religion. The grant of a tax exemption is not sponsorship of the organizations because the government did not transfer part of its revenue to churches but simply abstains from demanding that the church support the state. The exemption created a more minimal and remote

involvement between church and state than did taxation because it restricted the fiscal relationship between church and state and reinforce the desired separation insulating one from the other.