

# Faith groups could be taxed on transit, parking benefits for employees

WASHINGTON — Leaders of a diverse group of faiths, including the Catholic Church, and the heads of religious nonprofit organizations are urging Congress to repeal a change in the Internal Revenue Code that would tax houses of worship and other nonprofits for parking and transit benefits they provide to their employees.

Dubbed the “parking lot tax,” the provision has prompted a group representing a broad range of institutions, including houses of worship, primary and secondary education, higher education, and faith-based nonprofit organizations to write a letter Nov. 13 to the chairmen of the Senate Finance Committee and the House Ways and Means Committee and their respective ranking members.

“We write with serious concerns about how a little-noticed provision in the Tax Cuts and Jobs Act would tax parking and transit benefits provided by nonprofit organizations and churches,” the letter states.

“Unless repealed, this provision will require tens of thousands of houses of worship to file tax returns for the first time in our nation’s history and will impose a new tax burden on houses of worship and nonprofit organizations,” it added.

“Perhaps worst of all,” it continued, this provision will hopelessly entangle the IRS with houses of worship, simply because these houses of worship allow their clergy to park in their parking lots.”

Under the First Amendment, “houses of worship are not required to file tax returns each year,” the letter said.

The policy “allows houses of worship to operate independently from the government and shields houses of worship from government interference and intrusive public inspection into their internal, constitutionally protected operations, as nonprofit tax returns are available to the public.”

The leaders' letter was addressed to: Sen. Orrin Hatch, R-Utah, and Sen. Ron Wyden, D-Oregon, chairman and ranking member, respectively, of the Senate Finance Committee; and Rep. Kevin Brady, R-Texas, and Rep. Richard Neal, D-Massachusetts, chairman and ranking member, respectively, of the House Ways and Means Committee.

Leaders of the U.S. Conference of Catholic Bishops who signed the letter were Cardinal Daniel N. DiNardo of Galveston-Houston, USCCB president; Archbishop Joseph E. Kurtz of Louisville, Kentucky, chairman USCCB Committee for Religious Liberty; and Bishop Frank R. Dewane of Venice, Florida, chairman of the USCCB Committee on Domestic Justice and Human Development.

Other signatories came from a variety of faith groups and religious nonprofit groups including Catholic Charities USA; Ethics and Religious Liberty Commission of the Southern Baptist Convention; Jewish Federations of North America; Union of Orthodox Jewish Congregations of America; Agudath Israel of America; Islamic Relief USA; Indian American Muslim Council; Church of Jesus Christ of Latter-day Saints; Church of Scientology's National Affairs Office; Episcopal Church; National Association of Evangelicals; and Lutheran Center for Religious Liberty.

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