

REPRESENTATIVE FOR THE PETITIONER: Maurice Scott, Attorney

REPRESENTATIVE FOR THE RESPONDENT: Brian Coppinger, Attorney

**BEFORE THE
INDIANA BOARD OF TAX REVIEW**

2 For 1, LLC,)	Petition Nos.: See Attached
)	
Petitioner,)	Parcel Nos.: See Attached
)	
v.)	County: Marion
)	
Marion County Assessor,)	Assessment Years: 2023 and 2024
)	
Respondent.)	

June 4, 2025

FINAL DETERMINATION

The Indiana Board of Tax Review (“Board”) having reviewed the facts and evidence, and having considered the issues, now finds, and concludes the following:

INTRODUCTION

1. 2 For 1, LLC (“Taxpayer”) seeks a charitable exemptions on nine single-family residential homes in Indianapolis that it rents to formerly homeless veterans. But the Taxpayer did not show that the subject properties were owned, occupied, and used for exempt purposes. Thus, we find the properties are 100% taxable for the years under appeal.

PROCEDURAL HISTORY

2. The Taxpayer filed Form 136 applications seeking charitable exemptions on nine different parcels. Eight of the applications are for the 2023 assessment year and one is for the 2024 assessment year. We note that there are multiple versions of these applications in the record. Some of the applications are file stamped by the Assessor, and

some are not. Some are dated, while some are not. Finally, some of the applications reference personal property while others do not. We need not resolve these discrepancies because the Assessor does not dispute that the Taxpayer timely sought exemptions. As to the personal property, we note that the Taxpayer has not identified any personal property for which it sought an exemption, nor did it present any arguments about why any personal property should be exempt. Thus, we find any claims regarding personal property are waived.

3. On April 26, 2024, the PTABOA issued its Form 120 determinations finding the properties to be 100% taxable. On June 14, 2024, the Taxpayer appealed to the Board.
4. On December 6, 2024, Natasha Marie Ivancevich, the Board's Administrative Law Judge ("ALJ"), held a telephonic hearing. Neither the Board nor the ALJ inspected the subject properties.
5. Eric Simmons, the Taxpayer's owner, and Melissa Detrick, Marion County Assessor Deputy Director of Commercial and Industrial Assessment, testified under oath.
6. The Petitioner introduced the following exhibits:

Petitioner Ex. 1:	Addresses and Parcel Numbers of subject properties
Petitioner Ex. 2:	IRS Tax Exempt Letter
Petitioner Ex. 3:	Certificate of Amendment from Indiana Secretary of State
7. The Respondent introduced the following exhibit:

Resp't Ex. A:	Simmons and Wilbur Email
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8. The record also includes the following: (1) all pleadings, briefs, and documents filed in these appeals, (2) all orders, and notices issued by the Board or ALJ; and (3) an audio recording of the hearing.

OBJECTIONS

9. The Assessor objected to all of the Taxpayer's exhibits on the grounds that the Assessor could not confirm that they were the same exhibits that were sent to the Board because the Assessor's counsel was not copied on the e-mail submission of the exhibits. The

Assessor did separately receive exhibits from the Taxpayer. In addition, the Taxpayer's counsel averred that the copies sent to the Assessor's counsel were the same as those submitted to the Board. There is no indication in the record that there were any discrepancies, and we credit the statement from the Taxpayer's counsel that the same exhibits that were submitted to the Board were exchanged with the Assessor. We also note that if the Assessor had any genuine concern that the exhibits had been altered, the Assessor's counsel was free to explore that possibility on cross-examination. As it stands, we find no merit to the objection and overrule it.

10. The Assessor also objected to Petitioner's Exhibit 1, a list of addresses and parcel numbers for the properties under appeal, on the grounds of relevance and authenticity. We find this exhibit easily meets the minimal standard for relevance and that the Taxpayer laid sufficient foundation as to its authenticity. Moreover, we cannot fathom what possible prejudice the Assessor would suffer by having a list of the properties under appeal admitted into evidence. Thus, we overrule the objections and admit the exhibit.
11. In addition, the Assessor objected to Petitioner's Exhibit 2, the IRS Tax Exemption Letter, on the grounds of relevance and authenticity. The Taxpayer argued that the document was relevant and was self-authenticating. We find this exhibit meets the minimal standard for relevance. We agree with the Assessor that the document is not self-authenticating. But our streamlined proceedings are conducted under relaxed rules of evidence. 52 IAC 2-7-2(a)(2). In this case we find the Taxpayer laid sufficient foundation as to the document's authenticity to allay any due process concerns. Thus, we overrule the objections and admit the exhibit.
12. Finally, the Assessor objected to Petitioner's Exhibit 3, the Certificate of Amendment from the Indiana Secretary of State, on the grounds of relevancy, hearsay, and authenticity. The Taxpayer argued that the document was self-authenticating. We find the exhibit meets the minimal standard for relevance. In addition, it is a public record that sets out the office's regularly recorded activities and has no indication of a lack of trustworthiness. Thus, it is not subject to the hearsay rule. Ind. Evidence Rule 803. We

also agree with 2 for 1 that the document meets the standard for self-authentication because it is a public document that is signed and bears a seal. Evid. R. 902. Thus, we overrule the Assessor's objections and admit the exhibit.

FINDINGS OF FACT

13. The predecessor to the Taxpayer was originally formed around 1995 as a property management company under a different name. Around 2014, the company changed its name to 2 for 1, LLC and became a "public charity" with the purpose of providing housing to homeless veterans. It also sought and received 501(c)(3) status from the IRS, which it did as part of a so far unsuccessful attempt to become a "vendor" for a government veterans program. Consequently, the Taxpayer has not reported receiving any income, and it has neither "run anything through the 501" nor "spent any money through the 501." The Taxpayer is merely "maintaining [the 501] until we can possibly get it implemented in and run things through it." The record does not clearly establish what persons or entities are reflected in using the word "we." Mr. Simmons elsewhere refers to 2 for 1, LLC as "the business" and uses the word "we" in the context of the business's operations. *Simmons testimony; Pet'r Exs. 2-3.*
14. The evidence at the hearing included very little information detailing how 2 For 1 operates in regard to acquiring and renting out the subject properties. 2 For 1 has not received any donations. Mr. Simmons referenced personally borrowing and refinancing loans on the properties to fund or expand its operations, but it is entirely unclear what persons or entities are involved in the day-to-day management of these properties. All that the record establishes with certainty is that the financial operations related to these properties are *not* "run" through 2 For 1 as a 501. *Simmons testimony.*
15. For the last four years, the subject properties were "rented" to and occupied by veterans and other persons who were homeless, or have a disability, through the Section 8 program, Eskenazi's "permanent supportive housing program," or the Veterans Affairs Supportive Housing program. Beyond these generalities, the record is devoid of any information regarding the specific program or circumstances of any tenant at any of the

subject properties during the relevant time period. The Taxpayer also failed to describe the basics of how any of these programs operate. Whether the tenants pay rent, or the sponsoring programs pay rent on their behalf, is entirely unknown. And if rent is paid, the record is silent as to whom it is paid. *Simmons testimony*.

CONCLUSIONS OF LAW AND ANALYSIS

16. Although tangible property in Indiana is generally taxable, the Indiana Constitution allows the Legislature to exempt specified classes of property, including property being used for “municipal, educational, literary, scientific, religious, or charitable purposes.” Ind. Const. art. 10, § 1.
17. The Legislature has enacted various statutes exercising that authority, including Ind. Code § 6-1.1-10-16, relevant portions of which exempt a building that is owned, and predominantly used and occupied, for “educational, literary, scientific, religious, or charitable purposes.” I.C. § 6-1.1-10-16(a); I.C. § 6-1.1-10-36.3(c). That exemption extends to the land on which the building sits and to personal property that is owned and used in such a manner that it would qualify for exemption if it were a building. I.C. § 6-1.1-10-16(c) and (e).
18. Because exemptions relieve properties from bearing their share of the cost of government services, they are strictly construed against taxpayers and in favor of the state. *Indianapolis Osteopathic Hosp., Inc. v. Dep’t of Local Gov’t Fin.*, 818 N.E.2d 1009, 1014 (Ind. Tax Ct. 2004). A taxpayer bears the burden of proving it is entitled to an exemption. *Id.* Every exemption appeal “stand[s] on its own facts,” and it is the taxpayer’s duty to walk us through the analysis. *Jamestown Homes of Mishawaka, Inc. v. St. Joseph Cnty. Ass’r*, 914 N.E.2d 13, 15 (Ind. Tax Ct. 2009).
19. We must consider the term “charitable purpose” in its broadest constitutional sense. *Starke Cty. Ass’r v. Porter-Starke Servs., Inc.*, 88 N.E.3d 814, 817 (Ind. Tax Ct. 2017). A charitable purpose generally exists if: (1) there is evidence of relief of human want manifested by obviously charitable acts different from the everyday activities of man in general; and (2) there is an expectation that a benefit will inure to the general public

sufficient to justify the loss of tax revenue. *Id.* When a private entity “takes on a task that would otherwise fall to the government, this provides a benefit to the community as a whole because it allows the government to direct its funds and attention to other community needs.” *College Corner, L.P. v. Dep’t of Local Gov’t Fin.*, 840 N.E.2d 905, 910 (Ind. Tax Ct. 2006).

20. Here, the Taxpayer argues that it should receive a charitable exemption because it rents the subject properties to homeless and low to moderate income veterans. Providing affordable housing for lower-income tenants can be charitable. *See Hebron-Vision, LLC v. Porter Cnty. Ass’r*, 134 N.E.3d 1077, 1084-185 (Ind. Tax Ct. 2019) (explaining the statutory underpinnings of how the Legislature has assumed the burden of providing affordable housing to low-income individuals and families through, among other things, creating the Indiana Housing and Community Development Authority). Evidence of such a charitable purpose can include charging rent below market rates, providing alternatives to evictions in the event of non-payment, or renting to tenants who may have difficulty securing housing. *Bartholomew Cnty. Ass’r v. Hous. P’ships*, 151 N.E.3d 821, 826-27 (Ind. Tax Ct. 2020). It could also include the provision of social services not typically provided by for-profit rental companies. *Hebron-Vision* at 1093-94.
21. We must conclude, based on the record before us, that the Taxpayer has failed to present sufficient evidence of a charitable endeavor. The facts presented by the Taxpayer do not establish a *prima facie* showing for each of the necessary elements to establish a charitable exemption: ownership, occupancy, and use. Because the financial operations are not run through 2 For 1, LLC, and the record does not establish the charitable purposes of the persons or entities involved in the subject properties’ business operations, the Taxpayer has not established ownership for a charitable purpose. The failure to establish the specific eligibility standards for the programs, or the actual circumstances of any of the tenants, is fatal to a claim for occupancy for a charitable purpose. Finally, because the Taxpayer has failed to show that it rents these properties at no charge or at below-market rates, the Taxpayer has not proven that it operates any differently from a for-profit landlord whose clientele includes low-income tenants.

22. We also note that while the Taxpayer is exempt from federal taxation under Section 501 of the Internal Revenue Code, the granting of a federal or state income tax exemption does not automatically entitle a taxpayer to a property tax exemption. *See National Ass'n of Miniature Enthusiasts v. State Bd. of Tax Comm'rs*, 671 N.E.2d 218, 220-222 (Ind. Tax Ct. 1996) (denying taxpayer a charitable purposes exemption despite the fact that it was exempt under 501(c)(3)). But neither is nonprofit status required to establish a charitable use. It is the details of the ownership, occupancy, and use that establish the entitlement to the exemption. And those details are simply absent from the record before us.
23. While the Taxpayer has failed to establish its eligibility for a charitable exemption for 2023 and 2024, it remains free to file another application for a future year and present a comprehensive factual basis regarding its charitable operations.


CONCLUSION

24. For the reasons discussed above, we find the subject properties to be 100% taxable for the years at issue.

The Final Determination of the above captioned matter is issued by the Indiana Board of Tax Review on the date written above.



Chairman, Indiana Board of Tax Review



Commissioner, Indiana Board of Tax Review



Commissioner, Indiana Board of Tax Review

- APPEAL RIGHTS -

You may petition for judicial review of this final determination under the provisions of Indiana Code § 6-1.1-15-5 and the Indiana Tax Court's rules. To initiate a proceeding for judicial review you must take the action required not later than forty-five (45) days of the date of this notice.

The Indiana Code is available on the Internet at <http://www.in.gov/legislative/ic/code>. The Indiana Tax Court's rules are available at <http://www.in.gov/judiciary/rules/tax/index.html>.

Attachment

Petition Number	Parcel Number
49-901-23-2-8-00357-24	9024035
49-101-23-2-8-00398-24	1052299
49-101-23-2-8-00399-24	1012798
49-101-23-2-8-00400-24	1046337
49-101-23-2-8-00401-24	1027834
49-101-23-2-8-00402-24	1084400
49-101-23-2-8-00403-24	1068346
49-101-23-2-8-00404-24	1073440
49-101-24-2-8-00358-24	1029448