

Supreme Court rules in favor of charter school building owner

Late Sept., the Ohio Supreme Court issued a ruling rejecting a Board of Tax Appeals (BTA) finding that New Plan Learning, Inc.'s leases with two Columbus charter schools were not entitled to a property tax exemption.

The court found that the "view to profit" standard was not applicable, effectively over-ruling a decision made last year that a property owner's intent was to make money through its lease of space to a charter school.

"In the BTA's view, the fact that there was any excess of rental income over expenses required the denial of the exemption. We disagree," Justice Patrick DeWine wrote for the court's majority. "The focus should be on the plain meaning of 'view to profit,' this is, whether the lease was intended to generate a profit for the lessor. Because the BTA unreasonably ignored evidence of the lessor's intent, we vacate its decision and remand the case to the BTA."

Although New Plan Learning leased the space at a cost greater than its expenses, the resulting profits were used to support its other charter options.

