



ISRAEL - February 2018

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Israel suspends taxation legislation for Jerusalem's churches

Following protests and international pressure, Israeli PM Netanyahu has suspended tax procedures on Jerusalem churches.

The Church of the Holy Sepulchre has announced it will reopen its doors after Israel decided to suspend legislation regarding collecting taxes from churches and their properties in Jerusalem.

Following international pressure and rising protests from Palestinian Christians, Israeli Prime Minister Benjamin Netanyahu announced the formation of a committee to discuss the imposition of the property tax, or arnona, on Jerusalem's churches.

The decision came following a meeting between Netanyahu and the Israeli mayor of Jerusalem, Nir Barakat, and after one of the holiest sites in Christianity, the Church of the Holy Sepulchre, closed its doors on Sunday in protest against the proposed legislation.

The committee will be headed by Tzachi Hanegbi, the Israeli minister of regional cooperation.

Al Jazeera's correspondent Walid al-Omari, reporting from the occupied West Bank city of Ramallah, said that tax procedures on churches and their properties would be frozen under the new arrangement.

"Accounts belonging to churches and monasteries will be cancelled," he said.

"Furthermore, a new law proposed by Israeli right-wing politicians that will allow Israeli authorities to confiscate properties of the churches if they do not pay taxes, will be suspended."

Israeli-controlled Jerusalem municipality said that the churches owed \$53m in commercial back taxes.

However, the three Christian denominations have countered that this was a plan to "weaken the Christian presence in Jerusalem".

"The systematic campaign of abuse against Churches and Christians reaches now its peak as a discriminatory and racist bill that targets solely the properties of the Christian community," they said in a statement on Sunday.

"These actions breach existing agreements and international obligations, which guarantee the rights and privileges of the Churches."

The statement was signed by the Roman Catholic, Armenian and Greek Orthodox church leaders.

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The leader of the Christian National Gathering in the Holy Land, Dimitri Deliani, said that the churches had won this battle against the Israeli occupation, which he described as a "war".

Hana Amira, the head of the Supreme Presidential Committee for Church Affairs, told Palestinian government news agency Wafa that the stance of the heads of the churches, as well as the closure of the Church of the Holy Sepulchre, had foiled the Israeli plan temporarily.

International pressure

The Organization of Islamic Cooperation (OIC) had strongly criticised Israel's decision to tax church property in Jerusalem.

"We reject these measures, which are part of ongoing efforts [by Israel] to change the status of Christian and Muslim holy places [in Jerusalem] and systematically restrict their existence," the OIC said in a statement on Tuesday.

It voiced solidarity with Jerusalem's churches, warning against "the seriousness of these unprecedented Israeli actions which constitute a flagrant violation of international law and conventions".

The OIC also urged the international community to "exert pressure on Israel, the occupying power, to compel it to abide by its responsibilities under international law and the Geneva Conventions and immediately reverse these illegal measures and continued violations against the city of Jerusalem, its people and holy sites".

"The only solution is for the occupation to completely reverse its decision," he said.

Earlier in the week, Jordan had expressed support for Christian leaders in Jerusalem.

Mohammad al-Momani, government spokesperson, said his country was in "full solidarity" with the churches, and that Israel's measures "violate international and humanitarian laws".

Jerusalem seeks end to tax breaks on church-owned properties

City council says exemptions wrongly given to commercial real estate owned by Christian institutions

Jerusalem's city council has launched a fresh bid to end what it says are huge property tax exemptions wrongly given to church-owned properties in the city.

A council letter seen Friday by AFP said international agreements only exempt places of worship, but for years churches have been excused charges on their huge commercial property portfolios.

Municipality Director General Amnon Merhav wrote that debts on 887 properties stood at 657,180,520 shekels (over \$190 million), without specifying the timeframe that covered.

The letter was addressed to the office of Prime Minister Benjamin Netanyahu, as well as the finance, foreign and interior ministries.

It also said that the tax-free status enjoyed by several United Nations agencies with offices in the city was worth around NIS 93 million.

The letter cited a legal opinion by an Israeli international law professor that the exemption for churches applied only to properties used "for prayer, for the teaching of religion or for needs arising from that."

The Israel Hayom newspaper reported Friday that the religious institution with the biggest tax bill was the Roman Catholic Church, owing nearly NIS 12 million.

It was followed by the Anglicans, Armenians and Greek Orthodox.

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The Vatican owns the imposing Notre Dame of Jerusalem hotel, restaurant and conference complex facing the walls of Jerusalem's Old City.

Negotiations with Israel over the status of its Jerusalem holdings have been going on since the establishment of diplomatic relations in 1993.

The Greek Orthodox Church owns residential and commercial property in both West Jerusalem and East Jerusalem.

It is under fire from Palestinians for allegedly allowing controversial sales of its property in East Jerusalem to groups aiding Jewish settlement there.

The Haaretz daily reported in October that the Greek Orthodox Church was also selling off vast swaths of real estate in west Jerusalem and across Israel.

"In recent years the patriarchate has been quietly selling off its properties in various parts of the country to companies hidden in tax shelters, for sums so low one wonders whether the church is trying to get rid of its assets at any cost," it wrote.

AFP was not able to contact church officials, while the United Nations declined to comment.

Palestinians slam Jerusalem move to end tax breaks on churches, UN properties

Greek Orthodox Patriarchate says municipality trying to 'empty' city of Christian institutions; PA spokesman calls decision 'a new aggression against our occupied capital'

Palestinians on Sunday strongly denounced an Israeli decision to collect taxes from churches and United Nations agencies in Jerusalem, saying the move was aimed at "emptying" the city of its Arab residents and Christian holy sites.

Some Palestinian officials even went as far as linking the decision to US President Donald Trump's recognition of Jerusalem as Israel's capital.

"This is a new aggression against our occupied capital, Jerusalem," said Yusef Al-Mahmoud, spokesperson for the Palestinian Authority government in Ramallah. "The decision is designed to further strangulate our people [in Jerusalem] to fulfill the occupation authorities' illusions of displacing them."

The Jerusalem municipality has handed out fines totaling millions of dollars to properties owned by the UN and by churches, citing a new legal opinion that says the properties are not legally defined as places of worship and therefore aren't entitled to exemptions from the property tax.

The municipality said on Sunday that it has started collecting over NIS 650 million (\$188 million) from some 887 properties in Jerusalem belonging to various churches and UN agencies.

The PA spokesperson accused Israel of working towards "consolidating the occupation and settlement inside Jerusalem."

He claimed that there were no laws in the world, "other than the law of the occupation," that permitted collecting taxes from places of worship.

Ahmed Majdalani, a member of the PLO Executive Committee, called on the churches and UN agencies to reject the decision to impose taxes on their properties.

"The occupation government is declaring an open war on the city of Jerusalem, the capital of the state of Palestine," Majdalani charged.

The decision was a "completion" of Trump's announcement recognizing Jerusalem as Israel's capital, he said.

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In December address from the White House, Trump defied worldwide warnings and insisted that after repeated failures to achieve peace a new approach was long overdue, describing his decision to recognize Jerusalem as the seat of Israel's government as merely based on reality.

The move was hailed by Prime Minister Benjamin Netanyahu and by leaders across much of the Israeli political spectrum. Trump stressed that he was not specifying the boundaries of Israeli sovereignty in the city, and called for no change in the status quo at the city's holy sites.

"All the decisions and measures taken by the occupation government in Jerusalem are null and void and the international community should assume its responsibilities, implement the resolutions of international legitimacy and preserve the status quo in the city," Majdalani said.

"The churches and Islamic and Christian holy sites are a red line. We are not going to pay money to the occupation. There will be no peace without Jerusalem; there will be no state without Jerusalem. We need to take a number of measures that will strengthen the status of Jerusalem in the Palestinian political system," the senior PLO official added.

Palestinian Archbishop Atallah Hanna of the Greek Orthodox Patriarchate in Jerusalem also denounced the Jerusalem Municipality's decision.

Israel, he maintained, does not have the right to interfere in the affairs of the churches.

Atallah too claimed that the move was designed to "empty" Jerusalem of Christian institutions.

He said that Jerusalem was currently being targeted by a "big conspiracy."

"The churches have been in Jerusalem before Israel was established and they have always been exempt from paying taxes, including under Jordan and the British Mandate," Atallah said.

"Now the occupation authorities are seeking to change this reality in a bid to expand their control on Jerusalem and weaken and marginalize the presence of Christians in particular and Arabs and Muslims in general, in the city. We will not surrender to these suspicious and unjust decisions. We will not collaborate with this Israeli decision and we will not succumb to Israeli pressure and blackmail," he added.

Hanna Issa, secretary general of the Islamic-Christian Commission for Support of Jerusalem and Holy Sites, said the Jerusalem municipality's "hellish" decision was aimed at "solidifying" Israeli sovereignty on the ground following Trump's announcement on Jerusalem. "This tax war is a religious war," he charged.

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