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NEW YORK BUSINESS

Jehovah's Witnesses saved \$368 million in real estate taxes over the past 12 years

Downtown Brooklyn Partnership ups its pressure on the tax-exempt organization to donate \$50 million

[Joe Anuta](#)



Associated Press
The Watchtower in Brooklyn.

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The Jehovah's Witnesses have been exempted from paying at least \$368 million in taxes on their Brooklyn real estate holdings over the past 12 years, according to an analysis by the Downtown Brooklyn Partnership and consulting firm BJH Advisers. The Partnership released the finding to increase its pressure on the religious organization to donate \$50 million to the borough as it sells off at great profit the remainder of its Brooklyn property and moves upstate.

"This is the last chance to do it," said the partnership's president, Tucker Reed, who initially called for the monetary gift [in a December op-ed](#) in

Crain's. "Once they leave and head upstate, if anyone goes knocking on their door with a tin cup saying, 'Hey, remember Brooklyn,' it is going to fall on deaf ears."

The study looked at the Witnesses' Brooklyn portfolio of 37 properties concentrated in and around Brooklyn Heights and Dumbo. As a religious organization, the group is exempt from paying taxes. The analysis estimated that its property taxes would have totaled \$138.6 million since 2006, while transfer and capital gains taxes for 21 of its sites sold since 2004 would have added up to about \$230 million. Reed called that a conservative estimate, but said it shows the magnitude of the Witnesses' profits and the money that otherwise would have gone to taxpayers.

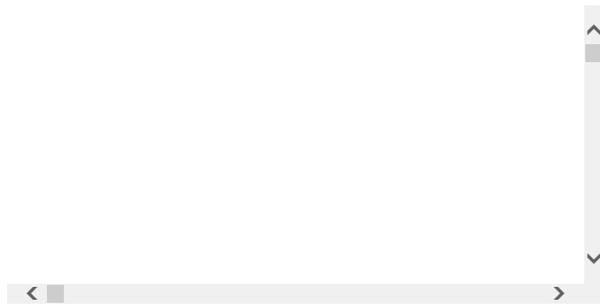
"Hopefully this analysis starts to put some real numbers to what we are talking about," he said.

He and others have argued that the Witnesses have benefited handsomely from Brooklyn's rise in popularity, but have not sufficiently given back to the community. In particular, elected officials

including City Councilman Stephen Levin and his predecessor, David Yassky, point to the organization's 2004 promise to improve a Dumbo subway station and asphalt park in exchange for a rezoning that increased the value of its property at 85 Jay St. While the Witnesses never built on the rezoned property, they have now put it up for sale. Some experts believe the property could fetch \$1 billion, at least in part because of the 2004 rezoning. The promised improvements were never made.

In January, the Witnesses agreed [to fund a \\$5.5 million park](#) upgrade. [A spokesman also pointed](#) out that the organization has made other improvements to the area and was investing in Brooklyn when few others would. He pointed to changes in plans as a reason the park improvements never materialized.

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Correction: Tucker Reed is the president of the Downtown Brooklyn Partnership. Reed's title was misstated in an earlier version of this article published online Feb. 4, 2016.