

WISCONSIN MASONIC HANDBOOK

CHAPTER 8

LODGE BUILDINGS



A. INTRODUCTION

A lodge building or temple is any building, which houses one or more Masonic Lodges. The rooms essential for the purposes of a lodge are a lodge room proper, an ante or Tiler's room, and one or more preparation rooms. The lodge rooms must have provisions for adequate protection from eavesdroppers or interruption. A lodge must obtain the approval of the Grand Master before it can erect, purchase, lease, remodel, mortgage, or sell a Masonic building, or any part or parcel thereof. Nor can it obligate itself to any of these actions in advance of such approval. Plans must be submitted which conform to state and local building codes. It is also necessary to develop and present a plan for Financing along with a statement of the financial condition of the lodge. If two or more lodges are planning a jointly owned or leased lodge building, all such lodges are required to obtain approval of the Grand Master. If several bodies own a building, the lodge must obtain dispensation to meet there.

B. COMMITTEE ON TEMPLE PLANS AND FINANCING

Advice and assistance are available from the committee on Temple Plans and Financing that is one of the standing committees of the Grand Lodge. It is their duty to prepare and maintain a book of plans, specifications and appropriate costs of Masonic buildings. They will counsel lodges on costs, plans, and requirements for building and financing. They review and make recommendations for approval or disapproval of plans submitted to the Grand Master.

C. PERMITTED USES

In addition to stated and special communications of the Masonic lodge, the lodge rooms itself may be used for the following:

1. Social gatherings and entertainment of lodges, lodge members and their families.

2. Meetings, social gatherings and entertainment of other bodies for whom the lodge has received dispensation. It is necessary that the character of these events not be in conflict with Masonic Law or the teachings of Masonry. Persons who are not members of the lodge with the following restrictions may use the lodge building for purposes other than Masonic:

- a. The uses must not be illegal.
- b. The uses must not be such as would cause discredit to Freemasonry.
- c. The uses must be exclusively educational, religious or benevolent in those portions of the building that are tax-exempt.

D. PROHIBITED USES

A lodge is forbidden to use any part of its temple for political meetings. Gambling is also prohibited. The serving or selling of alcoholic beverages is prohibited except that wine and/or beer may be served in addition to non-alcoholic beverages at Table Lodges, Festival Communications, holiday or other special occasions, but it is necessary, to obtain individual dispensations from the Grand Master before scheduling.

No organization using the lodge rooms other than the Masonic lodges may affix anything to the walls and floor of a permanent nature.

Further and more specific information regarding the use of lodge rooms and buildings can be found in Chapter 64 of the Masonic Code of Wisconsin and the annotations to that Chapter.

E. PROPERTY TAX STATUS

Masonic lodge buildings that are used exclusively for Masonic or related activities are exempt from property taxes under provisions of Section 70.11 (4) of the Wisconsin Statutes. It is also possible for Masonic buildings to be used by non-Masonic groups or organizations if the following conditions are met:

1. They must qualify under some provision of Section 70.11 of the Wisconsin Statutes.
2. The property must not be used for profit.
3. The tenants must not discriminate on the basis of race.

4. All of the rental income or other monies received from the tenant must be used for maintenance.

A Masonic lodge should carefully determine the tax status of any proposed tenant if they expect to protect their exemption.

It is possible to rent or lease a portion of the Masonic building to a profit making organization or one not qualifying for exemption. It would then be necessary to pay property taxes on that portion of the premises being used by a non-exempt body or for pecuniary profit. In order to preserve the tax-exempt status on the remainder of the premises, that section would have to be carefully determined and preserved for use only by the exempt bodies involved. Provisions for taxation, in part, are provided by Section 70.11 (8) of the Wisconsin Statutes.

The following is Section 70.11 (4) (8) of the Wisconsin Statutes reproduced in its entirety. The law is very complex in this area and so it is recommended that qualified legal advice be consulted.

70.11 PROPERTY EXEMPTED FROM TAXATION

The property described in this section is exempted from general property taxes.

(4) EDUCATIONAL, RELIGIOUS AND BENEVOLENT INSTITUTIONS, WOMEN'S CLUBS, HISTORICAL SOCIETIES, FRATERNITIES and LIBRARIES.

Property owned and used exclusively by educational institutions offering regular courses six months in the year; or by churches or religious, educational or benevolent associations, including benevolent nursing homes and retirement homes for the aged, and also including property owned and used for housing for pastors and their ordained assistants, members of religious orders and communities, and ordained teachers, whether or not contiguous to and a part of other property owned and used by such associations or churches; or by women's clubs; or by domestic, incorporated, free public library associations; or by fraternal societies operating under the lodge system (except university, college and high school fraternities and sororities), but not exceeding 10 acres of land necessary for location and convenience of buildings while such property is not used for profit. Property owned by churches or religious associations necessary for location and convenience of buildings, used for educational purposes and not for profit, shall not be subject to the 10-acre limitation but shall be subject to a 30-acre limitation. Leasing a portion of such property to an organization which if it owned the property itself would be exempt from taxation under this section and which does not discriminate on the basis of race shall not render the property tax- able, if all the leasehold income is used for maintenance.

(8) TAXES IN PART

Where property for which exemption is sought pursuant to this section is used in part for exempt purposes and in part for pecuniary profit, then the same shall be assessed for taxation at such percentage of the full market value of said real and personal property as shall fairly measure and represent the extent of such used for pecuniary profit. In determining the amount of such assessment, the term "pecuniary profit" as used in this section is hereby defined as the use of any portion of said premises for facilities for purposes not directly included within the objects of such organization for which use compensation is received, and the space is used, the period of such use, and all other factors tending to measure the extent thereof, shall be considered in fixing the amount of such assessment. The term "pecuniary profit" as used in this section shall not be deemed to include such incidental income as that derived by such organization from occasional affairs conducted principally by and for the members of such organization but which non members may attend, nor any income derived from the resale of any merchandise given or donated to any charitable or benevolent society or association which such income is used for the purposes of such society or association. The use of "pecuniary profits" derived from the use of all or a portion of any premises shall not create an exemption in favor of such halls or buildings for public purposes shall not render them taxable, provided that all income derived there from be used for the upkeep and maintenance thereof.

F. INSURANCE COVERAGE FURNISHED BY GRAND LODGE AND REQUIRED FOR CONSTITUENT LODGES

The Grand Lodge provides certain insurance coverage for constituent lodges under several master policies. It must be stressed, however, that this coverage does not extend to any other bodies, affiliated or not.

1. INSTITUTIONAL PROPERTY

a. Building and Contents:

A master policy covers the buildings and contents of the Grand Lodge and the paraphernalia of constituent lodges. The policy has a broad insuring agreement and coverage is provided on a replacement cost basis. This means no deduction for depreciation if the damaged property is replaced. Options for expanding coverage include broad exterior glass breakage, outdoor signs and boiler insurance.

b. Crime:

The Fidelity/Dishonesty coverage in effect through the Grand Lodge policy applies in the amount of \$10,000 that is applicable to officers and members.

Because some of our lodges handle fairly large amounts of money and also have important investment portfolios, several have asked about the possibility of securing Fidelity Bond coverage, which should be in larger amounts. It is the responsibility of the lodge to have adequate coverage to the extent of their risk including all cash and all investments owned by one lodge.

The program is arranged in such a manner as to permit a lodge to have a high limit of Fidelity coverage on the positions if desired.

If your lodge desires to have higher coverage on any position of trust, it can be arranged. The Grand Lodge Office will be glad to furnish you with premium quotations for any higher amounts you may be interested in.

c. Paraphernalia

For your information, the following items are of importance respecting the Grand Lodge coverage on lodge paraphernalia:

1) The insurance follows the property wherever it is located anywhere in the USA and Canada. This would include the temple building, also such property as may be in transit or located elsewhere temporarily, or such usual equipment belong to a lodge that might be located in the homes of the officers such as Worshipful Master, Secretary, Treasurer and so forth.

2) The insurance is arranged on a basis so that any loss would be paid on the basis of "replacement cost new" without deduction for depreciation.

3) Many of our lodges still retain possession of old and antiquated equipment that actually has no further use or value, and even if destroyed by fire or other casualty would not represent any worthwhile loss to the lodge. It is suggested that the lodges divest themselves of any such equipment, or at least eliminate the listing and valuing of such equipment in anticipation of not making any claim on such items that might be involved in a loss.

This suggestion is offered without a thought of restricting the collection of claims, but for the lodges to take a practical viewpoint of the properties that they own and maintain and embrace only those values that would represent a loss to the lodge should they be damaged or destroyed.

2. COMPREHENSIVE PUBLIC LIABILITY

This insurance is provided to all of our lodges under a special contract that is far broader than standard forms. It covers personal injury and property damage liability arising from: the ownership and operation of a lodge building; meetings and other authorized functions both on and away from the premises; product liability for food stuffs and beverages served at banquets, picnics, etc.

Coverage for liability from authorized use of members of cars, or hired autos are included. This coverage is in excess over any specific auto insurance applying to member's cars or hired autos.

Limits for liability are \$1,000,000 in any one occurrence and \$1,000,000 in total claims for the policy year. Also included is a limit of \$1,000 for voluntary medical payments, which apply to members of the public, injured on lodge premises and to lodge members injured while participating in usual fraternal, committee, or organizational activities both on and off the lodge premises.

3. WORKER'S COMPENSATION

Complete blanket Worker's Compensation insurance is being provided for the benefit of all our lodges. In order to comply with our Worker's Compensation laws, it is important that such coverage be maintained and that the request for annual report of payrolls be made to include all expenditures involving wages, salaries, or any other similar payment for services. This classification will be audited annually.

Temple Associations with employed personnel may very well be subject to the Wisconsin Worker's Compensation laws. Failure to comply with the Worker's Compensation Act can cause fines and uninsured losses. If you have any questions in this area, please contact our broker.

4. MISCELLANEOUS

The coverage for each policy begins on May 1st of each year. Lodges will be billed for their proportion of the property and liability insurance. Each lodge will receive a memorandum of insurance giving an out line of the coverage applicable.

5. CLAIMS

Report property and liability claims directly to our Broker. Worker's

Compensation claims require special forms and must be reported as soon as possible. Forms are available from either the Grand Lodge Office or our Broker.