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Lacking leadership, FLDS group faces taxing problem

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In the past, the principle was simple: When property taxes came due in the polygamist community at the Utah-Arizona border, a bishop put out the call for contributions to cover the million-dollar tab. The request, made by letter and a prodding from the pulpit, reminded faithful members of the Fundamentalist Church of Jesus Christ of Latter Day Saints of their status as at-will tenants on the church-owned land and their obligation to pay their share of the bill.

As directed, the money poured forth.

So here's the question: Now that the United Effort Plan Trust is in government hands, will the people be as responsive to a call to ante up tax money?

Some say it is not likely, given the long-standing reluctance of FLDS members to answer to anyone but their prophet.

"I think most people would not respond," said Rod Parker, a Salt Lake City attorney who represents the FLDS church in some matters. "They view this as a test of their faith. If they lose their property, are run out of town -- that is just a test of their faith."

And that is why Jeffrey Shields did not mince words when describing the challenge of coming up with $1.2 million for this year's property tax bill.

"If the majority say, 'We're not donating any money,' we could have a real disaster on our hands," Shields, attorney for special fiduciary Bruce Wisan, said at a recent court hearing.

Most of the 10,000 people who live in Hildale, Utah, and Colorado City, Ariz., are descended from the men who settled the area in 1935 and established a United Effort Plan in 1942 to manage properties consecrated to the church. The UEP's trust holds title to nearly all the land, homes and buildings.

By order of church leaders, residents are routinely swapped from house to house. Some say that's done to accommodate changing family needs, but others believe it is aimed at reducing ownership claims such as those made in a successful lawsuit against the UEP almost 20 years ago. Those individuals won the right to either be compensated for homes they'd built on UEP land or stay in them for the remainder of their lives.

The most recent legal entanglement began this spring when the FLDS allegedly attempted to transfer title to two pieces of property without compensation for the trust. Authorities also say they were worried by the failure of UEP trustees and FLDS President Warren Jeffs to defend against three civil lawsuits, opening the possibility of a default loss and a damages award that could deplete the trust and potentially cost residents their homes.

That's when, at the request of the Utah and Arizona attorneys general, a 3rd District Court judge in Utah appointed Wisan as special fiduciary to inventory and protect UEP property. The trustees were stripped of power the next month and a request to appoint replacements is pending.

To FLDS faithful, it is as though their community has been taken over by the state, Parker said. No one is raising funds to pay taxes at this point, he said, although it is too early to say if they'll come around.

"What they feel is that to fight too hard to save property, a material thing, is the wrong thing to do," Parker said. "It displays materialism that God disapproves of. So instead, they are showing willingness to make a sacrifice which strengthens their faith."

Richard Holm, a former FLDS member who would like to be a new UEP trustee, believes such talk is pure bluff. Surely, he said, people in danger of being kicked out of their homes "will pay up."

Wisan can use the proceeds from land sales to cover the taxes, a short-term option that might be the solution this year. But in an Aug. 2 report, he made it clear that residents must pay up -- or face the "last resort" prospect of being evicted from their homes.

It is unclear how residents will respond to such demands from a government-appointed agent. Word is that Jeffs has told his followers to not pay their taxes and "answer them nothing" when it comes to questions about UEP property.

"The problem they've got now is the person who is going to ask for funds is not an ecclesiastical leader," said Ken Driggs, a Georgia attorney and scholar of fundamentalists who hew to early Mormon teachings, including those on plural marriage.

There also are unknowns associated with the financial difficulties of the Colorado City Unified School District, which may require a tax increase.

Even at the current level, it is doubtful that all families could meet tax obligations -- especially those who have struggled to do so in the past.

Under FLDS management, when tax time rolled around some people paid their assessment in full, and some -- such as the community's most successful businessmen -- paid more than their

share. Other families paid what they could. And some families, because of hardship, paid nothing at all.

Apostates from the FLDS church who still reside in the community, including individuals who joined a lawsuit against the **UEP Trust** in the 1980s, received bills and instructions to send their payments to the UEP's "nonmembers account." Most paid.

Somehow, in the end, it all worked out.

A boy rides his bike in Colorado City, Ariz. Hildale, Utah and Colorado City are home to a community of about 10,000 members of the Fundamentalist Church of Jesus Christ of Latter Day Saints (FLDS).; A home in Hildale sports "UEP," the initials of the United Effort Plan, a trust that controls most of the property in the FLDS community. Trent Nelson/The Salt Lake Tribune

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