

A Breach of the Status Quo Imposing Taxes on Church Properties

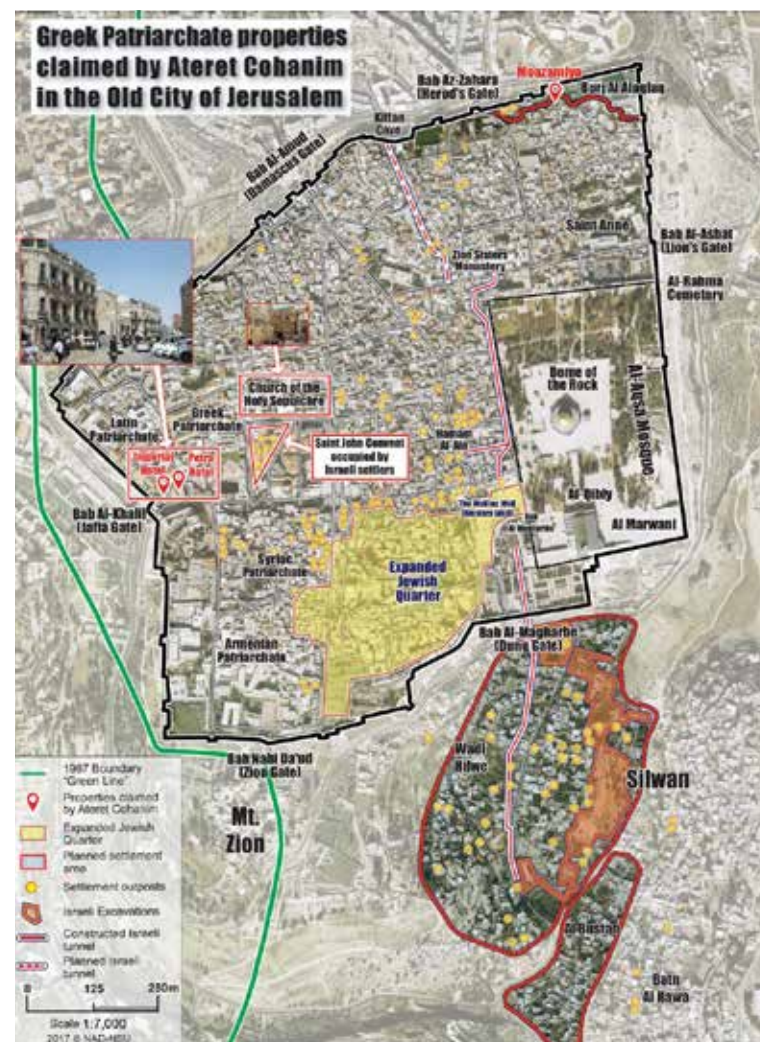


By Ass'ad Mazzawi

his past summer has witnessed an uproar among the Christian community in Jerusalem as well as in the rest of the Holy Land caused by a sequence of aggressive motions by Israel that threaten the genuine and authentic Christian presence in the Holy Land. These motions were conducted by some influential Israeli political activists, members of the Knesset (parliament), and government ministers who all aimed to impose restrictions and financial burdens that would cripple Jerusalem churches and their flocks.

In an unprecedented move that was seen as a breach of the Status Quo of the Holy City, the Israeli municipality of Jerusalem attempted to impose on churches retroactive property taxes (*Arnona*) worth tens of millions of dollars that would bankrupt the Christian institutions of Jerusalem. This attempt was paralleled with proposed legislation in the Israeli Knesset to give the Israeli government the right to seize church properties that had been sold or leased to third parties. This aggressive and unprecedented conduct drove the heads of churches to shut down the Church of Holy Sepulcher indefinitely. Three days into the shutdown, the Israeli government, through its prime minister, announced that it was backing down. Despite the official announcement, some Israeli politicians resumed their attempts to attack Christians and church institutions as part of populist political rhetoric.

The straw that broke the camel's back was the decision of the Israeli High Court of Justice to reject an appeal by the Orthodox Church of Jerusalem regarding a previous ruling by the District Court of Jerusalem on case file number



Map courtesy of the Negotiations Affairs Department, NAD.

08/2035, concerning a lawsuit filed by a Jewish settler group in 2008.

In the lawsuit, Jewish settlers requested that the District Court of Jerusalem approve three leasing transactions that they claimed to have concluded with a person named Nicolas Papadimus, who used to be a finance department employee at the Greek Orthodox Patriarchate during the time of the deposed Patriarch Irenaios I. These "lease agreements" were signed with neither the knowledge nor the verbal or written approval of

the Holy Synod, and they did not have the signature of the deposed Patriarch Irenaios or of any other member of the synod, which is the sole entity that legally represents the patriarchate in such matters.

The real estate deal, widely known as the "Jaffa Gate real estate deal," is comprised of the Imperial Hotel building and the Petra Hotel building at Jaffa Gate (excluding the stores on the ground floor) as well as a civilian home in the Muazmia area located at Bab Hutta. All three locations are



The Wall of Jerusalem with the Imperial Hotel that is battling its illegal sale to Jewish settlers.
Photo courtesy of Palestine Image Bank.

situated inside the Old City walls of Jerusalem. The first two properties carry priceless strategic value for churches as they are considered the main entrance to the Christian holy sites and institutions in the Old City of Jerusalem.

The Jerusalem District Court's decision to adopt the claims of the Jewish settler group raised eyebrows, to say the least. The decision contradicted a number of proven facts, for example: The court ruling identified Papadimus as the officially "appointed" head of the department of finance at the Jerusalem Orthodox Patriarchate, which not only could not be proven by the settler group but was contradictory to what was proven by the Jerusalem Orthodox Patriarchate.

In another instance, in which the Jerusalem District Court's decision surprised observers, the Jerusalem Orthodox Patriarchate proved a classic case of conflict of interest, corruption, and conspiracy in the legal process

of creating the so-called deal. It was proven beyond a reasonable doubt that an Israeli Notary Public named Yaakov Miron approved the signature of Patriarch Irenaios on a power of attorney to Papadimus which enabled the latter to sign contracts. Later on, it was discovered that the same Yaakov Miron endorsed the signatures of the lease contracts of the Jaffa Gate deals! In addition, it must be mentioned that Yaakov Miron shares an office with attorney-at-law Ethan Giva, who is the lawyer on behalf of the Jewish settler group in this deal and in many others.

Another fact ignored by the Jerusalem District Court and overlooked by the High Court of Justice, among many others, is that the Jerusalem Patriarchate demonstrated, by conclusive and irrefutable evidence, that Jewish settler groups have communicated with Papadimus in order to sidestep the institutions of the patriarchate. They bribed him and promised to grant US\$ 1 million to be

paid to him personally in the event that Papadimus realized the hopes of settler groups in acquiring the Jaffa Gate real estate – the subject of the transaction.

This atmosphere left the Christian community devastated and feeling helpless at first. The situation began to change when an individual who has been very close to the organization Ateret Cohanim for many years, and who possesses important information and valuable evidence in support of the patriarchate's position, expressed his willingness to cooperate and expose the corrupt and illegal side of the so-called Jaffa Gate real estate deal, because, according to him, the extremist Ateret Cohanim had betrayed him, and the judicial proceedings regarding the church properties, and the practical results of these proceedings, were unjust and contrary to the truth.

Among the evidence provided by this individual, documents dating back to 1996 showed that the settlement-supporting billionaire and financier Irving Moskowitz had signed an agreement with the tenants of the Petra Hotel to buy their long-term protected-lease rights for US\$ 4.5 million, in addition to his willingness to pay for other expenses, including the adjacent Little Petra Hotel. This is clear proof of the corruption of the suspicious deal of 2004, since it is unreasonable to agree to buy tenants' "lease rights" for US\$ 4.5 million in 1995 and then agree to buy the property itself, as well as the Little Petra Hotel, for \$500,000 9 years later!

The Orthodox Patriarchate of Jerusalem also discovered that Ateret Cohanim, through its general manager, Mati Dan, used to pay bribes to "manage their affairs" regarding the church properties. These efforts coincided with the attempts of Israeli official authorities, such as the municipality and the tax service, to

impose arbitrary measures against tenants of church properties with the aim to weaken their position.

The new evidence that the patriarchate has obtained confirms that Ateret Cohanim and its companies forged documents and submitted court proceedings based on these forged documents, despite knowing that they were forged. The evidence shows that the suspicious deals in 2004 involved bribes that have been allegedly paid by Ateret Cohanim to the patriarchate official at the time, Nicholas Papadimus. The evidence is clear in documents and audio recordings.

In August 2019, the Orthodox Patriarchate of Jerusalem filed a new case in the Israeli District Court of Jerusalem based on the newly revealed evidence in an attempt to cancel the previous ruling of the same court that was approved by the High Court. It should be noted that this recent procedure is not an easy one and is currently awaiting the statement of defense from the settlers' lawyers.

The patriarchate, in cooperation with the local churches based in Jerusalem, also continues its public diplomatic efforts with the heads of states, heads of churches from around the world, and those who strive for peace and justice in the Holy Land to protect the historical and legal doctrine of the Status Quo relating to the holy shrines, and to defend the holy sites from all underhanded and immoral dealings.

Adv. Ass'ad Mazzawi holds an LLB degree from Hebrew University of Jerusalem and has been practicing law since June 1995. He is founder, senior partner, and owner of the Zahalka and Mazzawi Law Firm. In addition to representing several significant organizations and institutions, Adv. Mazzawi is a senior legal adviser to the Greek Orthodox Patriarchate. He is married to Rula and the father of Nicole and Karine.