



ABC's of Church Management Newsletter

OCTOBER 2007

SPECIAL 2007 YEAR-END EDITION

This newsletter has been developed to provide compliance guidelines for local congregations concerning state and federal regulations. It is shared as a basic reference newsletter with the understanding that the publisher is not giving legal, financial, or other professional service/advice. The publisher acknowledges that the laws and regulations of each state may vary. If professional assistance is required, the services of a competent professional should be secured.

The end of 2007 quickly approaches. This special edition ABC's newsletter will walk the pastor, church leaders, and treasurer through issues to wrap up the year. This edition will address:

- Setting the pastor's 2008 housing allowance
- Completing Form W-2
- Completing Form W-3
- Reviewing Form W-4
- Completing Form 1099-MISC
- Reviewing Form W-9
- Reviewing Employee I-9
- Handling Year-End Contributions
- Check standing of church's incorporation status

Pastor's 2008 Housing Allowance

If the pastor does not have an open-ended housing allowance resolution, a new housing allowance resolution will need to be set at a duly called meeting of the governing board no later than Dec. 31, 2007. Richard Hammar provides the following resolution example on page 234 in his "*Church & Clergy Tax Guide 2007*."

The following resolution was duly adopted by the board of directors of First Church at a regularly scheduled meeting held on December 15, 2007, a quorum being present:

Whereas, ministers who own their home do not pay federal income taxes on the amount of their compensation that their employing church designates in advance as a housing allowance, to the extent that the allowance represents compensation for ministerial services, is used to pay housing expenses, and does not exceed the fair rental value of the home (furnished, plus utilities); and

Whereas, Pastor John Smith is compensated by First Church exclusively for services as a minister of the gospel; and

Whereas, First Church does not provide Pastor John Smith with a parsonage; therefore, it is hereby

Resolved, that the total compensation paid to Pastor John Smith for calendar year 2007 shall be \$50,000, of which \$15,000 is hereby designated to be a housing allowance; and it is further

Resolved, that the designation of \$15,000 as a housing allowance shall apply to calendar year 2008 and all future years unless otherwise provided.

Completing Form W-2

All pastors and non-ministerial staff should receive a Form W-2. These forms can be purchased at any office supply store. Form W-2 must be provided to all employees no later than January 31, 2008. Below is a sample of Form W-2 and steps to completing the form. Additional information can be obtained at www.irs.gov. (The explanations for each box come from Richard Hammar's "Church & Clergy Tax Guide 2007" and the IRS instruction manual for Form W-2.)

22222		a Employee's social security number		OMB No. 1545-0008	
b Employer identification number (EIN)			1 Wages, tips, other compensation		2 Federal income tax withheld
c Employer's name, address, and ZIP code			3 Social security wages		4 Social security tax withheld
			5 Medicare wages and tips		6 Medicare tax withheld
			7 Social security tips		8 Allocated tips
d Control number			9 Advance EIC payment		10 Dependent care benefits
e Employee's first name and initial		Last name	Suff.	11 Nonqualified plans	
f Employee's address and ZIP code		13 Statutory employee	Retirement plan	Third-party sick pay	12a
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12b
		14 Other			12c
15 State	Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax
					20 Locality name

Form **W-2** Wage and Tax Statement **2007** Department of the Treasury—Internal Revenue Service
 Copy 1—For State, City, or Local Tax Department

Box a – Employee's Social Security Number – Insert the social security number for the pastor or non-ministerial staff member.

Box b – Employer Identification Number (EIN) – Insert the church's federal employer identification number. If the church is new and does not have an EIN, it can apply for one over the phone by calling the IRS at 1-800-829-4933 or online at www.irs.gov/businesses and click on "Employer ID Number."

Box c – Employer's name, address, and zip code – This should be the same address the church uses on its Form 941 filings.

Box d – Control Number – This box is optional. It can be used to assign the pastor and non-ministerial staff employee numbers or it can be left blank.

Boxes e & f – Employee's name and address – Insert the pastor's or non-

ministerial staff person's first name, middle initial, last name, and address.

Box 1 – Wages, tips, other compensation – Insert total taxable income. Do not include housing allowance. The IRS considers taxable income to be:

- Salary
- Taxable fringe benefits (including cost of employer provided group term life insurance coverage that exceeds \$50,000). However, if you provided your employee a vehicle and included 100% of its annual lease value in the employee's income, you must separately report this value to the employee in box 14 (or on a separate statement). The employee can then figure the value of any business use of the vehicle and report it on Form 2106. If you used the commuting rule or the vehicle cents-per-mile rule to value the personal use of the vehicle, you cannot include 100% of the value of the use of the vehicle in the employee's income.
- The value of the personal use of an employer provided car.
- Bonuses.
- Most Christmas gifts paid by the church.
- Business expense reimbursements paid under a non-accountable plan (one that does not require substantiation of business expenses, or does not require excess reimbursements to be returned to the church, or reimburses expenses out of salary reductions). Also note that such reimbursements are subject to income tax and Social Security withholding if paid to nonminister employees.
- If you reimburse employee travel expenses under an accountable plan using a per diem rate, include in box 1 the amount by which your per diem rate reimbursements for the year exceed the IRS-approved per diem rates. Also note that such excess reimbursements are subject to income tax and Social Security withholding if paid to nonminister employees or ministers who have elected voluntary tax withholding. Use Code L in box 12 to report the amount equal to the IRS-approved rates.
- If you reimburse employee travel expenses under an accountable plan using a standard mileage rate in excess of the IRS – approved rate (48.5 cents for 2007), include in box 1 the amount by which your mileage rate reimbursements for the year exceed the IRS – approved rates. Also note that such excess reimbursements are subject to income tax and Social Security withholding if paid to nonminister employees or ministers who have elected voluntary tax withholding. Use Code L in box 12 to report the amount equal to the IRS-approved rates.
- Employer reimbursements of an employee's nonqualified

(nondeductible) moving expenses.

- Any portion of a minister's self-employment taxes paid by the church.
- Amounts includible in income under a nonqualified deferred compensation plan because of section 409A.
- Designated Roth contributions made under a section 403(b) salary reduction agreement.

Box 2 – Federal income tax withheld – Insert the total federal income tax withheld from employee's 2007 wages. These amounts should match those submitted on Form 941 through out the year.

Box 3 – Social Security Wages – Report a nonminister employee's wages subject to social security taxes. This box usually will be the same as box 1, but not always. For example, there are certain retirement contributions that are included in box 3 that are not included in box 1. To illustrate, contributions to a tax-sheltered annuity may be excludable from income and not reportable in box 1, but they are subject to social security taxes and so they represent social security wages for nonminister employees and are reported in box 3. Also include in box 3:

- Signing bonuses an employer pays for signing or ratifying an employment contract.
- Taxable cost of group-term life insurance over \$50,000 included in box 1.
- Cost of accident and health insurance premiums for 2% or more shareholder-employees paid by an S corporation, but only if not excludable under section 3121(a)(2)(B).
- Employee and nonexcludable employer contributions to an MSA or HAS. However, do not include employee contributions to an HAS that were made through a cafeteria plan.
- Employee contributions to a SIMPLE retirement account.
- Adoption benefits.

Box 3 is left blank for ministers with respect to compensation received in the exercise of ministry.

Box 4 – Social Security tax withheld – Insert the total employee social security tax (not the church's share) withheld. Do not reduce this amount by any advance EIC (Earned Income Credit) payments made to the employee. For 2007, the amount should not exceed \$6,045.00 (\$97,500 x 6.2%).

Box 4 is left blank for ministers with respect to compensation received in the exercise of ministry.

Box 5 – Medicare wages and tips – The wages and tips subject to Medicare tax

are the same as those subject to social security tax (boxes 3 & 7) except that there is no wage base limit for Medicare tax.

Box 5 is left blank for ministers with respect to compensation received in the exercise of ministry.

Box 6 – Medicare tax withheld – Insert the total employee Medicare tax (not the church's share) withheld. Include only tax withheld for 2007 wages. Do not reduce this amount by any advance EIC payments made to the employee.

Box 6 is left blank for ministers with respect to compensation received in the exercise of ministry.

Box 7 – Social Security tips – leave blank

Box 8 – Allocated tips – leave blank

Box 9 – Advanced EIC payments – Insert the total paid to employee as advanced earned income credit (EIC) payments. See IRS Publication 596 for more information.

Box 10 – Dependent care benefits – this box should be left blank.

Box 11 – Nonqualified plans – Report the total amount you distributed to an employee under a nonqualified deferred compensation plan (including a section 457 plan and some rabbi trusts). This amount should also be reported as wages in box 1. Few churches have section 457 plans, but many have established rabbi trusts for their minister. The purpose of box 11 is for the Social Security Administration to determine if any part of the amount reported in box 1 was earned in a prior year. This information is used to verify that the Social Security Administration has correctly applied the annual earning test and paid the correct amount of benefits.

Box 12 – Codes – Complete and code this box for all items described below that pertains to the employee. Do not report in box 12 any items that are not listed as codes A-BB. Do not report more than 4 codes in box 12 of Form W-2 Copy A. If more codes are needed, complete an additional Form W-2 Copy A. On copies B, C, etc. more than 4 codes can be listed.

The codes most frequently used by the church are:

- Code C – Taxable cost of group-term life insurance over \$50,000. Insert the taxable cost of group-term life insurance coverage over \$50,000 provided to your employee (including a former employee).
- Code E – Elective deferrals under a section 403(b) salary reduction agreement. An elective deferral is one made by an employee through a voluntary "salary reduction agreement." While this amount ordinarily is not reported in box 1, it is included in boxes 3 & 5 for nonminister employees since it is subject to Social Security and Medicare taxes with respect to such workers.
- Code L – Substantiated employee business expense reimbursements –

Use this code only if you reimbursed your employee for employee business expenses using a per diem or mileage allowance and the amount that you reimbursed exceeds the amount treated as substantiated under IRS rules. Report in box 12 only the amount treated as substantiated (such as the nontaxable part). In boxes 1, 3 (up to the social security wage base), and 5, include the part of the reimbursement that is more than the amount treated as substantiated.

- Code P – Excludable moving expense reimbursements paid directly to employee – Insert the total moving expense reimbursements that you paid directly to your employee for qualified (deductible) moving expenses.
- Code R – Employer contribution to an Archer MSA – Insert any employer contributions to an Archer MSA.
- Code S – Employee salary reduction contributions under a section 408(p) SIMPLE – Insert deferrals under a section 408(p) salary reduction SIMPLE retirement account. However, if the SIMPLE is part of a section 401(k) arrangement, use Code D.
- Code T – Adoption benefits – Insert the total that you paid or reimbursed for qualified adoption expenses furnished to your employee under an adoption assistance program. Also include adoption benefits paid or reimbursed from the pre-tax contributions made by the employee under a section 125 (cafeteria) plan. However, do not include adoption benefits forfeited from a section 125 (cafeteria) plan. Report all amounts including those in excess of the \$11,390 exclusion.
- Code W – Employer contributions to a Health Savings Account (HSA) – Insert only employer contributions (including amounts the employee elected to contribute using a section 125 (cafeteria) plan) to a Health Savings Account (HSA).
- Code Y- Deferrals under a section 409A nonqualified deferred compensation plan – Insert current year deferrals under a section 409A nonqualified deferred compensation plan. Any earnings during the year on current year and prior year deferrals must also be reported here.
- Code Z – Income under section 409A on a nonqualified deferred compensation plan – Insert any income under section 409A on a nonqualified deferred compensation plan that was included in box 1.

Box 13 – Checkboxes – Check the appropriate box.

- Statutory employee – Churches rarely if ever have statutory employees. These include certain drivers, insurance agents, and salespersons.
- Retirement plan – Mark this checkbox if the employee is an active participant (for any part of the year) in any of the following: (1) a qualified pension, profit-sharing, or stock bonus plan described in

section 401(a) (including a 401(k) plan); (2) a 403(b) annuity; (3) a simplified employee pension (SEP) plan; or (4) a SIMPLE retirement account.

- Third party sick pay – Churches generally will not check this box.

Box 14 – Other – This box is optional. The church may use it to provide information to employees. Some churches report a church-designated housing allowance in this box. This is not mandatory, however. The church may also report in this box nonelective church contributions made to an employee's tax-sheltered annuity. These are contributions made by the church that are not funded by reducing the employee's salary.

Boxes 15 through 20 – State and local income tax information – Use these boxes to report state and local income tax information. Enter the two-letter abbreviation for the name of the state. The employer's state ID numbers are assigned by the individual states. The state and local information boxes can be used to report wages and taxes for two states and two localities. Keep each state's and locality's information separated by the broken line. If there is a need to report information from more than two states or localities, prepare a second Form W-2.

Completing Form W-3

Form W-3 is to be filed along with copies of Copy A of all Forms W-2 by February 29, 2008. However, if you file electronically, the due date is March 31, 2008. All documents are sent to:

Social Security Administration

Data Operations Center

Wilkes-Barre, PA 18769-0001

Generally speaking, the instructions for completing Form W-3 are very similar to those for completing Form W-2. This section will mainly touch on the highlights of the instructions.

DO NOT STAPLE

33333		a Control number		For Official Use Only ▶ OMB No. 1545-0008			
b Kind of Payer ▶	941 <input type="checkbox"/>	Military <input type="checkbox"/>	943 <input type="checkbox"/>	944 <input type="checkbox"/>	1 Wages, tips, other compensation	2 Federal income tax withheld	
	CT-1 <input type="checkbox"/>	Hahld. emp. <input type="checkbox"/>	Medicare gov. emp. <input type="checkbox"/>	Third-party sick pay <input type="checkbox"/>	3 Social security wages	4 Social security tax withheld	
c Total number of Forms W-2		d Establishment number		5 Medicare wages and tips	6 Medicare tax withheld		
e Employer identification number (EIN)				7 Social security tips	8 Allocated tips		
f Employer's name				9 Advance EIC payments	10 Dependent care benefits		
g Employer's address and ZIP code				11 Nonqualified plans	12 Deferred compensation		
				13 For third-party sick pay use only			
h Other EIN used this year				14 Income tax withheld by payer of third-party sick pay			
15 State	Employer's state ID number			16 State wages, tips, etc.	17 State income tax		
Contact person				Telephone number ()		For Official Use Only	
				Email address			

Under penalties of perjury, I declare that I have examined this return and accompanying documents, and, to the best of my knowledge and belief, they are true, correct, and complete.

Signature ▶ Title ▶ Date ▶

Box a – Control number – This is an optional box that the church may use for numbering the whole transmittal.

Box b – Kind of Payer – The church will check the 941 box.

Box c – Total number of Forms W-2 – Show the number of completed individual Forms W-2 that are being transmitted with this Form W-3. Do not count “Void” Forms W-2.

Box d – Establishment number – The church will normally not use this box.

Box e – Employer identification number (EIN) – If you received a preprinted Form W-3 from the IRS with Pub. 393, Federal Employment Tax Forms, or Pub. 2184 Alternative Ways to Get Employment Tax Forms and Instructions, verify that your employer identification number (EIN) is correct. Make any necessary corrections on the form. If you did not receive a form with a preprinted EIN, enter the nine-digit EIN assigned to the church by the IRS. The number should be the same as shown on Form 941.

Box f – Employer’s name – If you are not using a preprinted Form W-3, enter the same name as shown on the church’s Form 941.

Box g – Employer’s address and zip code – If you are not using a preprinted Form W-3, enter the church’s address.

Box h – Other EIN used this year – Church will leave this box blank unless they have changed their EIN number for some reason during 2007.

Boxes 1 through 10 – Enter the sum totals for the individual Forms W-2 in boxes 1 through 10.

Box 11 – Nonqualified plans – Enter the total reported in box 11 on Forms W-2.

Box 12 – Deferred compensation – Enter one total of all amounts reported with codes D-H, S, Y, AA, and BB in box 12 on Forms W-2. Do not enter a code.

Box 13 – For third-party sick pay use only – Churches leave this box blank.

Box 14 – Income tax withheld by payer of third-party sick pay – Churches will leave this box blank.

Box 15 – State/Employer’s state ID number – Enter the two-letter abbreviation for the name of the state being reported on Forms W-2. Also enter the church’s state-assigned ID number. If the Forms W-2 being submitted with this Form W-3 contain wages and income tax information from more than one state, enter an “X” under “State” and do not enter any state ID number.

Boxes 16-19 – Enter the total of state/local wages and income tax shown in their corresponding boxes on the Forms W-2 included with Form W-3. If the Forms W-2 show amounts from more than one state or locality, report them as one sum in the appropriate box on Form W-3.

Make sure the totals listed on the Form W-3 are accurate. Make sure to not include any figures from Forms W-2 that have been voided.

Reviewing Form W-4

The end of the year is a good time to ask employees to review their Form W-4 to see if they wish to revise their withholdings. If they wish to make a revision, new forms can be obtained at www.irs.gov. It is recommended that new forms be completed each year.

Completing Form 1099-MISC

The church may need to send out Form 1099-MISC to contracted individuals, such as lawn care or snow removal. To determine if a Form 1099-MISC needs to be distributed, follow this simple test. The church must distribute a Form 1099-MISC if all five of the following conditions are met:

- The church is “engaged in a trade or business” (includes nonprofit activities).
- The church pays the person compensation of \$600 or more during the calendar year.
- The person is self-employed, rather than an employee.
- The payment is in the course of the church’s “trade or business.”
- No exception exists.

The church meets 4 of the points so the only point they will have to satisfy is if they paid an individual \$600 or more during the year.

Like the Form W-2, Form 1099-MISC must be distributed to the individual by

January 31, 2008 and to the IRS by February 28, 2008.

Instructions for completing Form 1099-MISC follow below. (The explanations for each box come from Richard Hammar's "Church & Clergy Tax Guide 2007" and the IRS instruction manual for Form 1099-MISC.)

CORRECTED (if checked)

PAYER'S name, street address, city, state, ZIP code, and telephone no.		1 Rents \$	OMB No. 1545-0115 2007 Form 1099-MISC	Miscellaneous Income
		2 Royalties \$		
		3 Other Income \$		
PAYER'S federal identification number	RECIPIENT'S identification number	5 Fishing boat proceeds \$	4 Federal income tax withheld \$	Copy B For Recipient
RECIPIENT'S name Street address (including apt. no.) City, state, and ZIP code		6 Medical and health care payments \$		
		7 Nonemployee compensation \$	8 Substitute payments in lieu of dividends or interest \$	
		9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale <input type="checkbox"/>	10 Crop insurance proceeds \$	
Account number (see instructions)		11	12	This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
		13 Excess golden parachute payments	14 Gross proceeds paid to an attorney \$	
15a Section 409A deferrals \$	15b Section 409A income \$	16 State tax withheld \$	17 State/Payer's state no.	18 State income \$

Form 1099-MISC (keep for your records) Department of the Treasury - Internal Revenue Service

Payer's name, street address, city, state, zip, phone – Insert the information about the church. This must have the physical address of the church no post office box numbers are permitted.

Payer's federal identification number – Insert the church's EIN (Employer Identification Number).

Recipient's identification number – Insert the individual's Social Security number or if it is a business, such as a lawn care company, insert that company's EIN.

Recipient's name, address, city, state, zip – Insert the appropriate information for the recipient.

Account Number – The account number is required if you have multiple accounts for a recipient for whom you are filing more than on Form 1099-MISC. Additionally, the IRS encourages you to designate an account number for all Forms 1099-MISC that you file.

Box 1 – Rents – Insert amounts of \$600 or more for all types of rents, such as real estate rentals paid for office space (unless paid to a real estate agent) or machine rentals (for example, renting a bulldozer to level your parking lot). If the machine rental is part of a contract that includes both the use of the machine and the operator, the rental should be prorated between the rent of the machine (reported in box 1) and the operator's charge (reported as nonemployee compensation in box 7).

Box 2 – Royalties – Insert gross royalty payments of \$10 or more before reduction for severance and other taxes that may have been withheld and paid.

Box 3 – Other Income – Insert other income of \$600 or more required to be reported on Form 1099-MISC that is not reportable in one of the other boxes on the form.

Box 4 – Federal Income Tax Withheld – Insert any federal income tax withheld.

Box 5 – Fishing Boat Proceeds – Leave blank.

Box 6 – Medical and Health Care Payments – Will normally be left blank by churches.

Box 7 – Nonemployee Compensation – Insert nonemployee compensation of \$600 or more. Include fees, commissions, prizes and awards for services performed as a nonemployee, other forms of compensation for services performed for your trade or business by an individual who is not your employee.

Boxes 8-13 and 15 a&b – Leave blank.

Box 14 – Gross proceeds paid to an attorney – Insert gross proceeds paid to an attorney in connection with legal services (regardless of whether the services are performed for the payer).

Boxes 16-18 – State information – If state income taxes were withheld, complete these boxes. Otherwise, leave these boxes blank.

9595		<input type="checkbox"/> VOID <input type="checkbox"/> CORRECTED									
PAYER'S name, street address, city, state, ZIP code, and telephone no.				1 Rents		OMB No. 1545-0115		<div style="font-size: 2em; font-weight: bold;">2007</div> <div style="font-weight: bold;">Miscellaneous Income</div>			
				\$		2 Royalties				Form 1099-MISC	
				\$		3 Other income				4 Federal income tax withheld	
PAYER'S federal identification number		RECIPIENT'S identification number		\$		\$		<div style="font-weight: bold;">Copy A</div> <div style="font-weight: bold;">For Internal Revenue Service Center</div>			
5 Fishing boat proceeds		6 Medical and health care payments		\$		\$					
RECIPIENT'S name				7 Nonemployee compensation		8 Substitute payments in lieu of dividends or interest		<div style="font-weight: bold;">For Privacy Act and Paperwork Reduction Act Notice, see the 2007 General Instructions for Forms 1099, 1098, 5498, and W-2G.</div>			
Street address (including apt. no.)		9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale <input type="checkbox"/>		\$		\$					
City, state, and ZIP code		11		10 Crop insurance proceeds		12					
Account number (see instructions)		2nd TIN not <input type="checkbox"/>		13 Excess golden parachute payments		14 Gross proceeds paid to an attorney					
15a Section 409A deferrals		15b Section 409A income		16 State tax withheld		17 State/Payer's state no.		18 State income			
\$		\$		\$.-----				\$.-----			
				\$		\$		\$			
Form 1099-MISC				Cat. No. 14425J		Department of the Treasury - Internal Revenue Service					
Do Not Cut or Separate Forms on This Page				—		Do Not Cut or Separate Forms on This Page					

Completing the IRS copy of Form 1099-MISC is the same as the individual copy. Send Copy A of Form 1099-MISC to the appropriate address listed below:

If your principal business, office or agency, or legal residence in the case of an individual, is located in

Use the following Internal Revenue Service Center address

Alabama, Arizona, Arkansas, Connecticut, Delaware, Florida, Georgia, Kentucky, Louisiana, Maine, Massachusetts, Mississippi, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, Texas, Vermont, Virginia, West Virginia

Austin, TX 73301

Alaska, California, Colorado, District of Columbia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Maryland, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, North Dakota, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Utah, Washington, Wisconsin, Wyoming

Kansas City, MO
64999

Reviewing Form W-9

The church should have a Form W-9 for each individual that receives a Form 1099-MISC. If the church needs to complete or update a Form W-9 for an individual, copies can be obtained at www.irs.gov.

Reviewing Employee Form I-9

Every employee of the church, including the pastor, must have a Form I-9 on file in the church office. If the church does not have these for their employees, they need to complete them as soon as possible. A Form I-9 verifies the person is eligible to work in the United States. Forms can be downloaded at www.i9check.com/i9download.htm.

If the church does have these forms on their employees, the forms need to be reviewed to make sure verification documents have not expired, such as a driver's license. If a document has expired, a new document must be obtained and Section 3 – Updating and Reverification of the Form I-9 must be completed.

Handling Year-End Contributions

It is the responsibility of the church treasurer or financial secretary to distribute individual charitable contribution statements to the congregation by January 31, 2008. Sometimes it gets confusing at the end of the year as to what amounts apply to what year. Consider the following:

- a. Any checks written in December 2007 and placed in the offering plate in January 2008 will be reported on the 2008 contribution statement.
- b. Checks written and deposited in the church offering in January 2008 but “backdated” to December 2007 are reported on the 2008 contribution statement.
- c. Checks written and deposited in the church offering in December 2007

but “postdated” to January 2008 are reported on the 2008 contribution statement.

- d. Checks written in December 2007 and deposited in the mail and postmarked in December 2007, but not received by the church until January 2008 are reported on the 2007 contribution statements.
- e. Checks written in December 2007 and deposited in the mail in December 2007 but not postmarked until January 2008 and not received by the church until January 2008 are reported on the 2008 contribution statement.

There are a couple of other issues that church treasurers should be aware:

- If a person donates a single contribution of \$250 or more, they must receive a letter from the church stating the following:
 - a. Donor’s name.
 - b. A listing of each individual contribution of \$250 or more.
 - c. A statement indicating whether or not the church provided any goods or services to the donor in exchange for the donation.
- If a contributor donates land to the church valued at \$5,000 or more, the church must inform the contributor that they must attach a Form 8283 to their return. These are sections on this form that the church must complete. Several things must be remembered with this form:
 - a. The land must be appraised by a qualified appraiser no earlier than 60 days to the date of contribution.
 - b. All information of the appraisal must be filled in on Form 8283.
 - c. If the church has received land, it is in their best interest to contact the contributor and make sure they know they must attach Form 8283 to their tax return.
 - d. Failure to attach Form 8283 to a tax return can cancel the contribution.

Check Church’s Incorporation Status

It is recommended that the church check its incorporation status with the Secretary of State’s office. Listings of churches can be obtained usually through the business/corporation section of the Secretary of State’s websites. Below is a listing of the various Secretary of State’s websites and phone numbers.

Alabama: www.sos.state.al.us 334-242-5324

Alaska: <http://www.state.ak.us> 907-465-2530

**ABC's of Church
Management**

1353 Miller Lane

New Albany, IN 47150

Phone: 812-945-3741

Cell: 317-379-1393

E-mail:

[revdrjules9093@insig
htbb.com](mailto:revdrjules9093@insig
htbb.com)

Arizona: www.cc.state.az.us/corp 602-542-3135

Arkansas: www.sos.arkansas.gov/corp_ucc.html 888-233-0325

California: www.ss.ca.gov 916-657-5448

Colorado: www.sos.state.co.us 303-894-2200

Connecticut: www.sots.state.ct.us 860-509-6001

Delaware: www.state.de.us 302-739-3073 Ext. 2

District of Columbia: www.brc.dc.gov 202-442-4432

Florida: www.sunbiz.org 850-245-6052

Georgia: www.sos.state.ga.us 404656-2817

Hawaii: <http://www.hawaii.gov/portal/> 808-586-2744

Idaho: www.sos.idaho.gov 208-334-2301

Illinois: www.sos.state.il.us 217-782-6961

Indiana: www.in.gov/sos 317-232-6576

Iowa: www.sos.state.ia.us/business/nonprofcorp.html 515-284-5204

Kansas: www.kssos.org 785-296-4564

Kentucky: <http://sos.ky.gov/business> 502-564-2848

Louisiana: www.sos.louisiana.gov 225-925-4704

Maine: www.maine.gov/sos 207-624-7740

Maryland: www.dat.state.md.us 410-767-1340

Massachusetts: www.sec.state.ma.us/cor/coridx.htm 617-727-2850

Michigan: www.michigan.gov/cis 517-373-1820

Minnesota: www.sos.state.mn.us 651-296-2803

Mississippi: <https://secure.sos.state.ms.us/> 601-359-1333

Missouri: www.sos.mo.gov 573-751-4153

Montana: <http://sos.mt.gov> 406-444-3665

Nebraska: www.sos.state.ne.us 402-471-4079

Nevada: <http://sos.state.nv.us/> 775-684-5708

New Hampshire: www.state.nh.us/sos/

New Jersey: www.state.nj.us/njbgs 609-292-9292

New Mexico: www.nmprc.state.nm.us 505-827-4511

New York: www.dos.state.ny.us/corp/corpwww.html 518-473-2492

North Carolina: www.sosnc.com 919-807-2225

North Dakota: www.nd.gov/sos 800-352-0867

Ohio: www.sos.state.oh.us 614-466-3910

Oklahoma: www.sos.state.ok.us 405-521-3912

Oregon: www.sos.state.or.us 503-986-2200

Pennsylvania: www.dos.state.pa.us/corps 717-787-1057

Rhode Island: www2.corps.state.ri.us/corporations

South Carolina: www.scsos.com 803-734-1790

South Dakota: www.sdsos.gov 605-773-4845

Tennessee: www.state.tn.us/sos 615-741-2286

Texas: www.sos.state.tx.us/corp/nonprofit.shtml 512-463-5555

Utah: www.commerce.utah.gov 801-530-4849

Vermont: www.sec.state.vt.us 802-828-2386

Virginia: www.state.va.us 804-371-9733

Washington: www.secstate.wa.gov

West Virginia: www.wvsos.com 304-558-8000

Wisconsin: www.wdfi.org/corporations 608-261-7577

Wyoming: <http://soswy.state.wy.us> 307-777-7311/7312