

Approved by Council: November 20, 2011
Effective January 1, 2012

Ebenezer Lutheran Church Giving Policy

Ebenezer Lutheran Church (ELC) is a not-for-profit organization under 501(c)(3) of the Internal Revenue Code. We are included in a group tax exemption ruling issued by the Internal Revenue Service to the Evangelical Lutheran Church in America. This allows all qualifying contributions to ELC to be tax-deductible. To ensure compliance with requirements imposed by the IRS, please see a Tax Professional.

1. Contributions given by cash or check to the General Fund

Every year, the congregation adopts a spending plan for the upcoming year. The plan consists of items each ministry team feels they need to carry out their mission. Contributions given to the spending plan (General Fund) are not designated for any specific purpose, but to support the needs of the church. These are tax-deductible donations.

2. Contributions of Goods or Property

Every year, we have members who wish to donate property (supplies, food for disciple camp, etc.). These gifts are also tax-deductible. At the end of the year, the accountant will provide a thank you letter with a description of the property, date property was received, and certain language that no goods or services were provided in exchange for this contribution. A copy of any receipts or invoices received will also be attached to the letter. The accountant is not allowed to place a value on the gift. The donor is responsible for determining the value of the gift. The donor must let the accountant know the property was donated, either by receipt or invoice, even if they do not wish to receive credit. This will help the church keep an adequate record of expenses.

3. Stock Contributions

Contributions of stock are also tax-deductible. The accountant will provide a letter stating the name of the stock, the date given and the number of shares given. The stock will be valued at the average of the high and low on the date of the gift. This amount may differ from the actual amount the church receives due to market fluctuation. ELC liquidates the stock as soon as possible. Donating stock to the church can be a big advantage for the donor because they can avoid the income tax on the gain from the sale of stock. ELC does not pay taxes so the sale has no impact on the church.

4. Volunteer Work

ELC requires many volunteers to carry out the mission of the church. Unfortunately, the Internal Revenue Service does not allow a tax-deduction for people's time or service. The donor may keep a travel log as round trip mileage is tax-deductible. Mileage is deductible at a per mile rate approved annually by the IRS.

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5. Designated Contributions

These are contributions the donor designates for a specific purpose (Living Stones of Help, Organ, etc.). If council has approved this specific purpose, the contribution is tax-deductible. Contributions may not be designated for a specific person to be tax-deductible. You can make a suggestion as to who you think should receive the money, but the decision must be made by the team responsible for those funds. Ex. Seminary Fund, Scholarship Fund

6. Designated Contributions to Approved Funds

From time to time, council may approve other funds to support certain ministries. These funds will be publicized to the congregation. Each designated contribution toward an approved project will be used for the designation. When the need for the project has been met, or cannot be completed for any reason determined by council, the remaining funds will be used where most needed as determined by council. Any fund that has no activity (no money received, no money disbursed) for one year will be eliminated. As the end of the calendar year approaches, a memo will be included in the send out of the November Financial Statement reminding everyone (Executive Committee, Council members and all Team Leaders) to review this policy and take any action on designated funds in their area of responsibility that may be needed to comply with the policy.

7. Designated Perpetual Gifts

When a perpetual gift is offered to Ebenezer, it is imperative that the offer be examined to ensure that the gift is in accordance with Ebenezer's Mission Statement and Guiding Principles, and that the church has the ability to carry out the donor's wish. This examination may be made by the Finance Team or the appropriate Ministry Team and sent to the Executive Committee for their review. A recommendation would then be forwarded to council for final action to accept the gift or reject the offer if the terms cannot be carried out by the church, and pending the deposit of adequate funding into Ebenezer's designated funds accounts. All accepted perpetual gifts will be identified by the Church Accountant not less than every five years to be reviewed by Council. All appropriate IRS regulations will apply to these gifts.

8. Contributions to Established Benevolent Funds

ELC has funds set up to assist people who have a financial need. Funds will not be accepted if specified for a specific person. However, a written request may be submitted by the donor to help support a certain individual's needs, but the decision has to be made by the team responsible for benevolence.