

Hast thou appealed unto Caesar? unto Caesar shalt thou go: 501(c)3 Status and the Church.

Those that do, those that don't

"If you believe God would have you financially support...you can send your tax-deductible gift to..." (Family Radio Web Site, 2000)

Today, many Churches make the above claim. It's common even more then common for Churches to make this claim. An informed guess would put the number of Churches in America that have "incorporated" under 501(c)3 of the Internal Revenue Service at about 85 - 90%. The rest are not really considered "a Church" without it.

Take a look at some other examples of the promotion of Church incorporation.

"The Trust is in full operation now. Your contribution now assures both you and the Church of immediate benefits and satisfaction. P.S. The IRS has advised that the First Congregational Trust will qualify as a tax exempt 501(c) 3 Trust by Christmas." (First Congregational Church)

"...Today filed suit in U.S. District Court in Norfolk, Virginia against the Internal Revenue Service on behalf of the Christian Coalition charging the IRS with using discriminatory and unconstitutional action in denying the organization's tax-exempt status under 501(c) of the tax code last year and illegally assessing and collecting taxes from the Coalition." (The CHRISTIAN COALITION Web Site, 5-1-2000)

Below is an example of a ministry that has realized that incorporation is not for them.

"We are also by law exempt from filing and obtaining a 501 (c) (3) determination letter and number for charitable organizations. Filing for and obtaining a 501 (c) (3) would severely limit our abilities as a Mission Church to function in and to provide all the services to the community that our Mission Church actually can provide." (Salt Lake City Mission, 370 South 300 East Salt Lake City, Utah 84111 , 801-355-6310)

Definition of Terms

Just what is it we're talking about? Let's define some terms so we can properly diagnose this problem.

A Church - [Gk.ekklesia] (ek-klay-see'-ah) assembly, a gathering of citizens called out..., an assembly of Christians gathered for worship in a religious meeting, a company...united into one body, the whole body of Christians scattered throughout the earth, the assembly of faithful Christians already dead and received into heaven.

Notice it's not a building, denomination, group lead by the pope. The Church is all the faithful in Christ, and it is not limited to a city, town, state, or country but derives its membership from all those that have trusted Christ, and have been allowed to be admitted into that fellowship by Him.

Incorporation - from Latin corpus body—to unite or work into something already existent so as to form an indistinguishable whole, to form into a legal corporation, to admit to membership in a corporate body, to unite in or as one body, to form or become a corporation.

Internal Revenue Service - Commonly known as the IRS. "One of the first actions of all new government is to collect taxes. This was true in the United States when in March of 1791, shortly after George Washington became president, the brand new Congress approved a law establishing a tariff system on selected imports and an internal excise tax on whiskey. In the next year, under the authority of that law, Treasury Secretary Alexander Hamilton established the Office of the Commissioner of Revenue, the predecessor to what is today the Internal Revenue Service." (TRAC-IRS) What this simply means is that it's an internal (governmental) service for the purpose of collecting money.

The Church is Already Incorporated

The Church is already a corporation as we're taught in 1 Corinthians 12:12-14,27

"For as the body is one, and hath many members, and all the members of that one body, being many, are one body: so also [is] Christ. For by one Spirit are we all baptized into one body, whether

[we be] Jews or Gentiles, whether [we be] bond or free; and have been all made to drink into one Spirit. For the body is not one member, but many. Now ye are the body of Christ, and members in particular."

And Colossians 2:19

"And not holding the Head, from which all the body by joints and bands having nourishment ministered, and knit together, increaseth with the increase of God."

Incorporation makes it subject to the State

According to the supreme court in Hale vs. Hinkle, "...a corporation is a creature of the state..."

A charter is permission to exist without it; it would be considered illegal. The statement has been made that incorporation is used by the state to distinguish between true and false churches this is ridiculous. In it's attempt to control a once powerful force in the world the government prohibits incorporated Churches to engage in certain activities. Many Churches feel they can "live" with such prohibitions as long as the money flows in, but someday the government may say to those same Churches you cannot use the Bible, preach, or whatever else it feels it would like to impose.

"A corporation is a creature of the state. It is presumed to be incorporated for the benefit of the public. It receives certain special privileges and franchises and holds them subject to the laws of the state and the limitation of its charter. Its powers are limited by law." (The United States Supreme Court)

"Corporation. An artificial person or legal entity created by or under the authority of the laws of a state." (Black's Law Dictionary)

Let's not forget the Bill of Rights,

"Congress shall make no law regarding an establishment of religion, or prohibiting the free exercise thereof."

Let's look at the actual documents of incorporation. If you read this next section with the following Scriptures, and still believe a Church should incorporate, you have a serious problem.

"A tax-exempt organization that fails to file a required return is subject to a penalty...." Also if it, "...fails to give correct and complete information or required information on its return." (IRS Publication 557, p.9)

"Contribution, gifts, grants and similar amounts received...membership dues and assessments." (IRS Publication, 557, sample of the 990 EZ form, p. 10)

The form asks:

"Did the organization engage in any activity not previously reported to the IRS?...Does the club's governing instrument or any written policy statement provide for discrimination against any person because of race, color, or religion?" (IRS Publication, 557, sample of the 990 EZ form, p. 11)

Look at this statement again, "Does the club's governing instrument or any written policy statement provide for discrimination against any person because of race, color, or religion?" Soon an incorporated Church will have to "answer" to the state if it did not allow a homosexual in the fellowship, or a satanist The state says here that it wants to know!

The tax code itself says,

"Organization not required to file form 1023: Churches, interchurch organization of local units of a Church." (IRS Publication, 557, p. 16)

In the Application for Recondition of Exemption package from the IRS we read they ask:

"6 Does or will the organization directly or indirectly engage in any of the following transaction with any political organization or other exempt organization? (Application for Recondition of Exemption package from the IRS, part 2. P. 3)

"7 Is the organization financially accountable to any other organization?"
(Application for Recondition of Exemption package from the IRS, part 2.
P. 3)

On page 8 the same publication asks for "financial statements for the current year and for each of the 3 years immediately before it." Which includes the following:

"Gifts, grants, and contributions...membership fees (a nice way of saying offerings) fundraising expenses, other salaries and wages, the total expenses."

On page 11 and 12 it asks (remember this is the just the application questions) the following:

"1 Provide a brief history of the development of the organization, including the reasons for its formation"

"...reasons for its formation."? See how the state wants you to confess that the Church was formed by man, and that it has to be formed? Not that it is already formed.

"3 does the organization require prospective members to renounce other religious beliefs or their membership in other Churches or religious orders to become members?"

If it's a true Church of Jesus it will. I wonder how many Churches answered yes to this one? See how they will use this to say a Church is discriminating against others? Today it is called "hate crimes."

"4 Does the organization have a formal code of doctrine and discipline for its members?"

"5 Describe the form of worship?"

"6 Are the services open to the public?"

"7 Explain how the organization attracts new members"

"8 How many active members are enrolled in the Church?"

"10 Does the organization have a school for the religious instruction of the young?"

"11 were the current deacons, minister, and/or pastor formally ordained after a prescribed course of study?"

"12 Describe the organization's religious hierarchy or ecclesiastical government."

"13 Does the organization have an established place of worship?" (it indicates if "yes" they what to know the name, address, and owner)

"14 Does the organization license or otherwise ordain ministers...."

"15 Did the organization pay a fee for a church charter?"

"16 How many hours a week the minister/pastor and officers each devote to church work and the amount of compensation paid to them...."

Other questions asked on a California Exemption Application Booklet are:

They want, "Complete statements of receipts, expenditures, assets, and liabilities...a statement describing fundraising activities, a copy of the lease of property, samples of literature, names of officers, directors...." (side 2)

It also wants to know:

"Has the organization received or expect to receive 10 percent or more of its assets from any organization or group, members of a family group? Does the organization plan to carry on propaganda, oppose proposed legislation? Does it plan to participate in any political campaign...Has a permanent place of worship been established, what address, legal owner, physical characteristics of your building, what is the purpose other than religious worship? Does it conduct regular services, How many attend? Do you announce your activities, where and how are the services held?"..."Furnish information regarding the religious leaders,

their training, what amount of gross income will be received, list all of the officers, directors, trustees, are any of the officers or directors related by blood marriage? Will any founder take a vow of poverty? (Side 2 and 3)

In one word to describe the above? Stupid.

The Scriptures are clear on this—it's none of the state's business what the Church has or does not have.

"And Hezekiah was glad of them, and shewed them the house of his precious things, the silver, and the gold, and the spices, and the precious ointment, and all the house of his armour, and all that was found in his treasures: there was nothing in his house, nor in all his dominion, that Hezekiah shewed them not. Then came Isaiah the prophet unto king Hezekiah, and said unto him, What said these men? and from whence came they unto thee? And Hezekiah said, They are come from a far country unto me, [even] from Babylon. Then said he, What have they seen in thine house? And Hezekiah answered, All that [is] in mine house have they seen: there is nothing among my treasures that I have not shewed them. Then said Isaiah to Hezekiah, Hear the word of the LORD of hosts: Behold, the days come, that all that [is] in thine house, and [that] which thy fathers have laid up in store until this day, shall be carried to Babylon: nothing shall be left, saith the LORD." (Isaiah 39:2-6)

We are not against paying our "fair" share of taxes, but we are against the state sticking its nose in the Churches business.

"...Then saith he unto them, Render therefore unto Caesar the things which are Caesar's; and unto God the things that are God's." (Matthew 22:21)

Jesus is the head of the Church not the money sucking state. We will be subject to Him.

"And hath put all [things] under his feet, and gave him [to be] the head over all [things] to the church." (Ephesians 1:22)

"And he is the head of the body, the church: who is the beginning, the firstborn from the dead; that in all [things] he might have the preeminence." (Colossians 1:18)

This so-called benefit of "Tax-Exemption" is nothing but the true "silence of the lambs"!

"No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign (including publishing or distribution of statements) on behalf of any candidate for public office." (Organization of California Nonprofit booklet, p. 1)

Let's look at the paragraph in detail. "No substantial part of the activities of this corporation shall consist of carrying on propaganda..." first it say "no...part of the activities" that means the Church cannot at all do anything that is against wrong or evil. It then says, "carrying on propaganda" what is propaganda?

"Pro·pa·gan·da: ideas, facts, or allegations spread deliberately to further one's cause or to damage an opposing cause" (Webster's Dictionary)

This is exactly what Jesus commands us to do!

"Go ye therefore, and teach all nations, baptizing them in the name of the Father, and of the Son, and of the Holy Ghost: Teaching them to observe all things whatsoever I have commanded you: and, lo, I am with you alway, [even] unto the end of the world. Amen" (Matthew 28:19,20)

Do you see how the Government is trying, and succeeds when you become tax exempt, in silencing the Church? Do you see and understand the intrusion? This has been effective with some Churches. Some time ago I was downtown waiting for my wife to come out of the store. While I was there I noticed some people across the street holding huge blow ups of aborted fetus'. The Lord prompted me to go across and talk with them. As I approached them and began talking with them I soon discovered that their Church and pastor did not approve of their demonstration against abortion. I assured them that I appreciated it and prayed with them. As I walked away it became very clear to me that the

pastor and the fellowship in which they were under did not approve because it could not!—their 501 (c) 3 status prevented them from demonstrating and put their tax exemption at risk.

"No man can serve two masters: for either he will hate the one, and love the other; or else he will hold to the one, and despise the other. Ye cannot serve God and mammon." (Matthew 6:24)

"or otherwise attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign" now they're telling us we can't influence those in the fellowship to vote for the better candidate. "(including publishing or distribution of statements) on behalf of any candidate for public office." A fellowship cannot print or pass out literature to promote the better candidate, or oppose godless laws and rules. Finally, it's clear that our Master Jesus Christ has instructed us on how to give to our fellowships.

"Take heed that ye do not your alms before men, to be seen of them: otherwise ye have no reward of your Father which is in heaven. Therefore when thou doest [thine] alms, do not sound a trumpet before thee, as the hypocrites do in the synagogues and in the streets, that they may have glory of men. Verily I say unto you, They have their reward. But when thou doest alms, let not thy left hand know what thy right hand doeth: That thine alms may be in secret: and thy Father which seeth in secret himself shall reward thee openly." (Matthew 6:1-4)

"Every man according as he purposeth in his heart, [so let him give]; not grudgingly, or of necessity: for God loveth a cheerful giver." (2 Corinthians 9:7)

Church incorporation is wrong. It's getting in bed with the government. It's silencing the Churches as satan would love to have it. The government sees the Church as a nice money-gathering vehicle to fill its pockets and weaken the Church at the same time. However, what is sad is that the Church is so stupefied by the great and wonderful plan the state presents to it that it caves in. Shame on the pastors that do not see this evil plan of the government, but only the money, money, money!

If you are a pastor and have not yet incorporated God bless you, don't! If you're a pastor or fellowship leader and have read, understood, and agree with this instruction, but are incorporated get out and God will bless your faithfulness to him. If you're in a fellowship that is incorporated go to your pastor and show him this teaching and warn him. Do everything you can to discourage others from incorporating.

See also:

"The Truth About Church Incorporation," <http://www.datasync.com/crownrights/fbs/>

"Church Incorporated" <http://www.datasync.com/crownrights/fbs/>

Amen