

Book            Poplar Springs Baptist Church Policy Manual  
Section        4000 Financial Policies  
Title            Love Offerings  
Number        4650  
Authority      Article V Section 1 of the Church By-Laws  
                  Article XI of the Church By-Laws  
                  IRS Regulations  
Adopted        May 17, 2015

1. In all instances, the church must approve the love offering and take control of the contributions. The love offering may be approved by (a) motion during a business meeting, or (b) approval by a majority of the Church Council, or (c) approval by a majority of the ministerial staff in case of an emergency.
2. Love offerings made directly from a donor to a minister or church employee are generally not taxable to the recipient. These are considered personal gifts, and are not deductible as a charitable contribution by the donor.
3. The church may give love offerings in four circumstances, each of which has rules that are specific to that type of love offering:
  - A. To meet a benevolent need.
  - B. To compensate a visiting minister.
  - C. To compensate a church employee.
  - D. To bless a ministry.
4. Benevolent love offerings have two characteristics:
  - A. (1) The recipient has a specific need related to food, shelter, clothing, transportation, or health care, and (2) the recipient cannot presently meet that need.
  - B. Poplar Springs Baptist Church will document these two elements in writing.
  - C. Benevolent gifts must be limited to the amount of the need.
  - D. No tax reporting is required unless the recipient is a church employee.
5. All love offerings for visiting ministers, musicians, guest speakers, and missionaries are taxable income to the recipient. Amounts exceeding \$600 per calendar year will be reported to the IRS on Form 1099-MISC.

6. All love offerings are taxable to an employee of Poplar Springs Baptist Church, even if the love offering meets the requirements to be a benevolent gift. The amount of the love offering will be added to the employee's W-2 wages.
7. Poplar Springs Baptist Church will want to assist another ministry from time to time with a love offering.
  - A. The church should first determine whether the IRS recognizes the ministry as a tax exempt organization.
  - B. Before the church distributes a love offering for a ministry, the Church Office Manager / Bookkeeper must have written confirmation of its tax exempt status. Typically the minister or ministry entity should provide the church with a copy of their IRS determination letter. The Church Treasurer will examine the document provided and determine if the ministry is tax exempt.
  - C. If the Church Treasurer confirms the ministry's tax status, the church may pay the ministry a love gift without any restrictions.
  - D. If the ministry is not recognized as tax exempt or is unable to present written proof of its tax exempt status, then the church may not give it a love gift. Instead, the church may only pay for services rendered. Amounts exceeding \$600 per calendar year will be reported to the IRS on Form 1099-MISC.