

Year-end Deadlines

Contribution statements, W-2s, & 1099s are due by January 31 each year. Effective with 2016, government copies of W-2s and 1099 forms are also due by January 31, the same deadline as the recipients'. Order IRS and state tax forms early - they are FREE if ordered from the government, or sign up for electronic filing.

Tax forms to be issued at year-end

W-2 forms are to be issued to anyone (all employees and pastors) who received salary from the church. See information on our web site regarding the preparation of Pastor W-2s

Order your tax forms FREE from the government...

For IRS forms, call 1-800-TAX-FORM or go to <http://www.irs.gov/formspubs>

State forms are available through your state government office

- www.in.gov/dor for Indiana
- <http://www.revenue.state.il.us/> for Illinois (It's our understanding that copies of the W-2 are not required to be sent to the state of IL)
- <http://www.wv.gov/Pages/default.aspx> for West Virginia

1099 forms are required to any individual or LLC that the church (or business) has paid \$600 or more in a tax year. The government considers these individuals *subcontractors*. If you have questions about this, please contact our office. There are significant fines if caught for not filing properly. 1099 forms are also due to the recipients no later than January 31 following the tax year. Acquire all sub-contractor's tax ID numbers and proper mailing address via IRS W-9 form. See our web site for information on how the IRS views Employees vs Subcontractors.

Donor Contribution Statements

In order for a non-for-profit organization to maintain its non-for-profit status, contribution statements are to be provided to all donors no later than January 31 each year. The following information was taken from www.irs.gov.

- **A donor giving \$250 or more is to be provided a written acknowledgment from the recipient (the church) of the gift.** The written acknowledgment must state whether the donee provides any goods or services in consideration for the contribution**
- A charitable organization must also provide a written disclosure statement to donors of a quid pro quo contribution in excess of \$75. A *quid pro quo contribution* is a payment made to a charity by a donor partly as a contribution and partly for goods or services provided to the donor by the charity. For example, if a donor gives a charity \$100 and receives a concert ticket valued at \$40, the donor has made a quid pro quo contribution. In this example, the charitable contribution portion of the payment is \$60. Even though the part of the payment available for deduction does not exceed \$75, a disclosure statement must be filed because the donor's payment (quid pro quo contribution) exceeds \$75. The written acknowledgment must include a good faith estimate of the value of the goods or services.
- The organization is subject to penalty for not providing required statement(s). Although there is no prescribed format for the written acknowledgment, it must provide sufficient information to substantiate the amount of the contribution. For more information, contact IRS.

** We recommend the following be placed on each statement: *Pursuant to Internal Revenue Code requirements for substantiation of charitable contributions, no goods or services were provided in return for the Tax Deductible contributions.*

Other reminders:

FMCUSA Home Ministry Obligations – Each church's Home Ministry obligation is based on the church's *FM Denominational Annual Report*. This report is due by January 31 each year and is to be entered on FM Connect.

Pension – Updated salary information is needed from each church every year.

If you have any questions, please phone the Conference office at 317-831-0022.