

## December 2015 – (dot)Stewardship



### Five Gifts Every Church Should Ask For

There are some gifts that no church should receive. For example, don't accept a semi-truck load of Betamax machines, even if they had an original MSRP of a million dollars.

Those might be hard to liquidate! However, explaining to a motivated donor that their non-cash gift would cause the church more difficulty than good requires a delicate conversation. Still, with these complicated

giving situations come many more examples of those who are generous of heart and give in ways that benefit the church and its people.



Local churches are geared to receive money as cash, electronic transfers, or checks. Despite the fact that most people own more non-liquid assets than liquid, churches usually ask for money. And donors tend to give in the ways that churches ask. A great deal of benefit, both to the donor and the church, can be realized if churches ask

for non-cash gifts and make donors aware of this option.

With most non-cash gifts, it is helpful to have an expert to walk your church through the receiving process. Organizations like the Church of the Nazarene Foundation offer expertise and assistance that makes life easier for the local church. Here are a few general rules and notes about specific kinds of gifts your church may receive:

### General Rules about Non-Cash Gifts

The church's responsibility for substantiating non-cash gifts is different than for cash gifts. Churches and non-profits need to follow the directives of [Internal Revenue Service Publication 526](#). While the details of these regulations go into great detail there are a few basic principles:

1. The limit of deductibility for non-cash gifts is likely to be lower than for cash gifts.

2. The church should not provide a value for the non-cash gift or serve as the appraiser. A contribution receipt should say something like “The donor contributed a collection of silver dollars” rather than “The donor gave \$505 worth of coins.”
3. The larger the non-cash gift, the greater the substantiation requirements. Substantiation is the evidence or documentation of the gift. For larger gifts, a representative of the church will even need to acknowledge the gift by signing the donor’s tax form.

### **Agricultural Product**

Many Nazarene churches are in rural area and have members involved in agricultural production. Churches should know that producers of agricultural product, livestock, grain, hay, etc., may gift their commodity and not realize taxable income from the sale. Recently, a rancher was able to deduct the cost of raising the cattle against the farm income, donate the cattle, and maximize the value of his gift. The pastor was delighted to learn that the church would not need a truck to pick up the gift. The livestock, already gifted, proceed through the normal marketing path. Similar gifts occur with corn, hay, soybeans or a variety of other agricultural products.

### **Real Estate**

There is effective tax savings in giving appreciated real estate and, often, significant funds for ministry. I have worked with families whose property, houses, or agricultural land, had become a burden and it is a relief to give that property away. The criteria for accepting a gift of real estate is different than for other types of assets. In most cases, the donor should be asked to provide an independent, qualified appraisal, and this is required for a tax deduction. The church should do due diligence to determining that the property is marketable, has a clear deed, is void of environmental problems, current on taxes, and has no mortgages or liens associated with it. Most churches will benefit by contacting the Church of the Nazarene Foundation when handling gifts of real estate.

### **Vehicles**

Cars, boats, motor homes or any gifted vehicle with a title have special substantiation requirements. Substantiation is the evidence the donor needs to verify the gift. The receiving organization will need to follow the instructions from the [Internal Revenue Service for form 1098-C](#). The procedure for substantiation and reporting is not complicated, but if you fail to give attention to the details you see unpleasant consequences for the donor and the church.

### **Stocks or Mutual Funds**

Gifting an appreciated asset can provide a significant advantage to a donor in tax obligation. Gifting appreciated stock is simple for both the donor and the church. In order to realize the tax savings, the donor must actually give the stock, rather than sell it and gift the proceeds from the sale.

### **Charitable Trust or Gift Annuity**

The administration of a charitable trust tends to be more sophisticated than most local churches should attempt to handle. Engage a professional organization, perhaps a denominational or community foundation, to make the role of the church relatively simple.

Christmas is the season that we remember the Father's gift of his Son to us. By his gift, we are blessed beyond measure. Our response to the Lord's blessings includes generosity. This is a great time of year to donate stuff that may be converted into ministry resources. A donated collection or piece of art provides funds that help the church accomplish its mission. Churches that receive gifts that do not fit in an offering plate are the ones who ask for them. So, ask away! You might be surprised at the creativity and generosity of your parishioners.

**Dr. Mark Lail – Stewardship Ministries Director, Global Ministry Center, Church of the Nazarene**

## Christmas All Year Long



The Gospel of Luke, chapter 2, says, *“In those days Caesar Augustus issued a decree that a census should be taken of the entire Roman world. 2 (This was the first census that took place while Quirinius was governor of Syria.) 3 And everyone went to their own town to register. 4 So Joseph also went up from the town of Nazareth in Galilee to Judea, to Bethlehem the town of David, because he belonged to the house and line of David. 5 He went there to register with Mary, who was pledged to be married*

*to him and was expecting a child. 6 While they were there, the time came for the baby to be born, 7 and she gave birth to her firstborn, a son. She wrapped him in cloths and placed him in a manger, because there was no guest room available for them.”*

If you are a Christian, you understand that Christmas is all about Jesus and His birth. There's a great deal of history that goes along with the holiday. Most scholars say that the date of December 25th was first celebrated around the middle of the 4th century. Most will agree that Jesus was probably not born on December 25<sup>th</sup> and was probably not born in December at all, but that is the day that the Church, around 350AD, agreed to celebrate and remember His birth. For more than 300 years, the early church did not celebrate Christmas. The reason for this, many scholars say, is that it was considered to be a custom of pagans to celebrate any birthday or anniversary of an event. So in an effort to avoid what the pagans were doing, the early Christians did not celebrate Jesus' birth. Has the celebration of Jesus' birth ever been broken since then? Actually, yes. During the rule of Oliver Cromwell, in Britain, the celebration of Christmas was banned from 1649-1658. No Christmas celebration was allowed except for special church services on Christmas Eve.

With all of these fascinating historical details, we learn much about the early church and ourselves as followers of Christ. In the end, the back-and-forth nature of Christmas celebrations reminds me that the

most important thing about the birth of Christ isn't the day or season in which we celebrate it. There's a much deeper principle at work.

An unforgettable celebration of Christmas happened one year in February when I visited the Church of the Nativity in Bethlehem and it was one of the few moments in my life I will forever remember. Our guide led us down into the cave-like space under the church to see the place that many believe was the exact spot where Jesus was born. Our group was silent as we stood there. Then, almost in unison, we broke out singing, "O Come, All Ye Faithful". I remember tears were flowing in my eyes as we reached that chorus, "O come let us adore Him!" No, it wasn't December 25<sup>th</sup> and it wasn't that we were worshipping the *place* that it was believed that Jesus was born. We experienced the reality of His presence with us that day.

That experience in Bethlehem reminds me that we need our lives to radiate the reality of the presence of the King. The realness of the light and presence of Christ in our lives is what sets us apart, not just in December, but all the year through. This Christmas, even though our world seems filled with daily acts of terrorism, hatred, violence, racism and fear, we must shine the light and tell the world that Jesus was born to bring peace, love and forgiveness to the lost and broken world! It's all about Him.

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## Quotes: Phineas Bresee



*"The Magi brought gifts of myrrh, gold, and frankincense. It is ours to bring heart and soul and life, to lay our very being at His feet. This is to us the richness of the Christmas time; that He is given forever to us, and we are given forever to Him."*