

*Presbyterian Church in America*

Office of the Stated Clerk—Administrative Committee  
1700 North Brown Road, Suite 105  
Lawrenceville, GA 30043-8143  
Phone 678-825-1000 Fax 678-825-1001  
Email: ac@pcanet.org

## EIN INFORMATION

The PCA Stated Clerk's Office receives many questions about federal tax identification numbers (EINs). It is hoped that the following information will be helpful to you in understanding the "in's and out's" of this common question.

The 11<sup>th</sup> General Assembly, in 1983, instructed the Administrative Committee to file the necessary information with the IRS to obtain group recognition of PCA churches and presbyteries.

Churches are exempt from federal income tax under Section 501 of the Internal Revenue Code. Contributions to churches are deductible under Section 170, and Section 508 specifically exempts churches and associations of churches from the requirement to apply for recognition of tax-exempt status. Nevertheless, there may be certain benefits from receiving official recognition of tax-exempt status from the IRS and obtaining a "501(c)(3) letter."

In dealing with the various agencies of civil government (local, state and federal), proof of tax-exempt status is often required. Even though churches are exempt from federal income tax by law, government agencies will sometimes require copies of organizational documents to prove exemption. Even the seemingly simple task of obtaining a bulk-mailing permit from the U.S. Postal Service can become a very complicated task when the church must answer all of their questions and produce numerous documents.

Participation in the PCA group listing with the IRS is optional. Either the Session or, in the case of a presbytery, the entire presbytery should decide whether or not it wants to be included. If the church or presbytery wishes to be included, all that will be needed is written permission for the Administrative Committee to include it in the list with its name, mailing address and federal Employer Identification Number. If a church or presbytery were to apply for recognition from the IRS on its own instead of participating in the group recognition, it would have to submit lengthy forms and numerous documents to the IRS.

The IRS requires that each church and presbytery included on the list have a federal Employer Identification Number (EIN). The EIN is similar to an individual's Social Security Number, and is used by the federal government to identify businesses, associations and churches, even if they have no employees. An EIN is used by a church or presbytery when reporting compensation paid to a minister or an employee, and is required by a banking institution when an account is opened. An EIN is not a "tax-exemption number". It will be used to identify the church or presbytery to the IRS and occasionally to other government agencies. If a church or presbytery is located in a state that exempts churches from state sales tax (not all states have such exemptions), there is a separate procedure for churches to obtain a tax exemption number and/or certificate. Check with your state tax department for further information.

The IRS has issued a “group exemption number” for the PCA churches and presbyteries included in the group exemption list, but that number is not used to obtain exemption from sales or other taxes. The number is only used on a few IRS forms, such as Form 990-T (if filing an annual tax return for unrelated business income) and Form 8274 (for electing exemption from FICA taxes on non-ordained employees).

All churches and presbyteries participating in the group IRS listing continue to use their own EIN whenever a federal identification number is requested (the number is sometimes called a “Taxpayer Identification Number” [TIN]). The PCA’s Employer Identification Number is never to be used by a church or presbytery (imagine what would happen if all your relatives used your Social Security number on their tax returns!).

Three additional matters should be noted:

- (1) If your church or presbytery does not currently have an EIN, and you decide to participate in the group listing, you should file Form SS-4 with the IRS office for your region (not with the AC office). **This EIN Form SS-4 and the SS-4 Instructions can now be found on the IRS web site at <http://www.irs.gov>. You can also receive your EIN number over the phone at 1-800-829-1040** (phone number subject to change without notice). After you obtain an EIN from the IRS, include it on the enclosed authorization form and send this form to our office.
- (2) Even though you may not currently have any employees, the IRS computer may start sending you Form 941, “Employer’s Quarterly Federal Tax Return”. If you do not have employees subject to FICA taxes or the withholding of income taxes (ordained staff are not subject to either FICA or withholding), you should return the form to the IRS with a letter explaining that you do not have any employees subject to FICA or withholding. Mention that you obtained your EIN as part of the procedure for obtaining IRS recognition of tax-exempt status, and that you will begin filing Form 941 when, and if, you employ any staff subject to FICA and withholding taxes. It may take a couple of such letters, but eventually someone will get the message. Do not ignore the forms or any other communications sent by the IRS. It is better to write to the IRS than to try to resolve things over the phone. If, after several attempts, you have been unsuccessful, the local office of your Congressman may be able to get the matter straightened out with the IRS.
- (3) After completing the enclosed form authorizing the Administrative Committee to include your church or presbytery in the group listing with the IRS, send the form to our office. Do not send the letter until you have an EIN. Our office will send you a copy of the IRS group exemption letter (the “501(c)(3) letter”) along with a cover letter certifying that you are a part of the group IRS listing. Please make photocopies of these documents whenever you are asked to provide proof of your federal tax-exempt status and keep the original documents in your file.

In summary, the steps to participate in the PCA group listing with the IRS are:

- (1) The Session (or presbytery) should approve being listed.
- (2) The church (or presbytery) should obtain a federal Employer Identification Number (if it doesn’t already have one) and include it in the enclosed authorization letter which should be sent to the AC office when completed.

An annual updated list is filed with the IRS each September, notifying them of additions, address changes and deletions of churches and presbyteries included in the PCA listing. Unless the Administrative Committee is notified in writing, each church and presbytery that has authorized our office to include it in the listing will continue to be listed. A church or presbytery may be deleted from the list, but our office must be notified in writing, and the deletion can only be done at the time of the annual update in September.

**AUTHORIZATION FORM**

The \_\_\_\_\_ (Presbytery, MNA, or Session, ) hereby authorizes the Presbyterian Church in America to include the church, mission, or presbytery named below in a group listing with the Internal Revenue Service for the purpose of recognition of federal tax-exempt status under Section 501 (c)(3) of the Internal Revenue Code. The following information is provided for the IRS group listing:

1.Name of Church, Mission, or Presbytery: \_\_\_\_\_

2.Please indicate if your Church is currently a Church Plant, Mission Church, or a Particularized Church:  
\_\_\_\_\_

3.Mailing Address: \_\_\_\_\_  
\_\_\_\_\_

4.Meeting Address: \_\_\_\_\_  
\_\_\_\_\_

Federal Employer Identification Number: \_\_\_\_\_

We will notify you of any change in our address or name change, so that you can keep the information on the IRS listing current. We understand that if we ever decide to have our name deleted from the IRS listing, we must notify you of our decision in writing.

We have/have not (strike the incorrect response) previously applied for recognition of federal tax exemption under Section 501 (c)(3) of the Internal Revenue Code. If we previously applied for and received recognition of exempt status, our recognition letter was dated \_\_\_\_\_ and the issuing IRS office was located in \_\_\_\_\_.

Name—Please Print \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_  
(i.e. Pastor, Church Planter, Clerk of Session, Clerk of Presbytery, Church Treasurer)

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Date: \_\_\_\_\_

**RETURN TO:**                                   **PRESBYTERIAN CHURCH IN AMERICA**  
  **Administrative Committee**  
  **1700 North Brown Rd., Suite 105**  
  **Lawrenceville, GA 30043-8122**  
  **Fax: 678-825-1008**  
  **ahoxter@pcanet.org**