

Year-End Notes from the Finance Office

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➤ **Reminders as you prepare 2016 W-2 forms:**

- Most churches should be including an amount on a minister's W-2 form (in Box 12 with Code "C") for Imputed Income due to Group Term Life Insurance coverage over \$50,000 that is provided through the Board of Pensions. The form to fill out to calculate the includable amount can be found at: <http://www.pensions.org/AvailableResources/CalculatorsandModelingTools/Pages/Taxation-of-Death-Benefit-Dues-Calculator.aspx>
- Amounts paid to the pastor during the year for medical deductible or expense reimbursement are included in Box 1, W-2 wages unless the church has in place a Flexible Spending Account (FSA) plan. Information on setting up a plan for your church can be found at <http://web.pensions.org/Publications/pensions/Home/Forms%20%26%20Publications/Forms/fsa-001.pdf> . (Note that these reimbursements are also considered effective salary for the Board of Pension dues for calculation and billing.)

➤ **Reminders as you prepare year-end contribution statements:**

- Each donation that was given during the year must be detailed individually on a donor's statement and include the date, amount and any other identifying information.
- **Remember that all receipts you provide to your donors must include the following statement: "There were no goods or services given in exchange for the listed contributions other than intangible religious benefits."** If this statement is not included, your donors could potentially lose their charitable contribution tax deduction.
- If you provide a statement for **non-cash contributions**, the only information that should be included on it is a description of the item, the date you received it and the "no goods or services" statement as above. We are not allowed to provide a statement for non-cash contributions of mileage or labor.

➤ **Reminders as you prepare your church's annual Financial Review:**

- **The financial review required by the "Book of Order"** (G3.0113) is the way in which the PC(USA) encourages responsible use of funds. The Book of Order requires:
A full financial review of all financial books and records shall be conducted every year by a public accountant or committee of members versed in accounting procedures. Reviewers should not be related to the treasurer(s). Terminology in this section is meant to provide general guidance and is not intended to require or not require specific audit procedures or practices as understood within the professional accounting community.

If you have any questions, please contact [Carlie D'Annunzio](mailto:CDAnnunzio@albanypresbytery.org), CDAnnunzio@albanypresbytery.org or 273-4991 Financial Manager.