

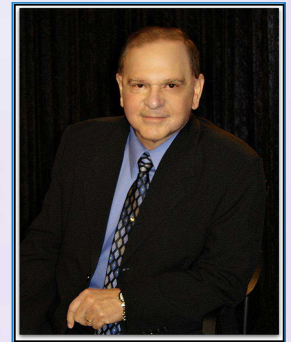
# the Informer newsletter

MONTHLY NEWSLETTER OF PCAI FELLOWSHIP  
PARAGON CHRISTIAN ALLIANCE INTERNATIONAL &  
PCAI CLERGY ASSOCIATION  
SEPTEMBER 2017 – VOLUME 9



## A HIGH STANDARD—A MUST FOR MINISTRY LEADERS

By Dr. Henry A. Harbuck / PCAI Int'l President & General Overseer



President Dwight D. Eisenhower, “*You do not lead by hitting people on the head ... that’s assault, not leadership.*”

Elders (pastors) of the church must follow **all** of I Timothy 3:1-7, not

### I Timothy 5:17

*The elders who direct the affairs of the church well are worthy of double honor, especially those whose work is preaching and teaching.*

just some of it. Direct your attention to the NIV’s rendering of verse 7, which is often ignored by church leaders: “*He must also have a good reputation with outsiders, so that he will not fall into disgrace and into the devil’s trap.*” (Italics and quotations are mine) A good example of the significance of this verse occurred about thirty years ago. A minister in my area had built a church of nearly 300 members, but was known to be unfair with everybody outside the church. It was common knowledge that he would lie, argue, scream, and curse. He drove expensive automobiles, lived a lavish lifestyle, beat his wife, and did not pay his bills. Over a period of time, the troubles and woes of this pastor and his family grew worse. Most of his church members left, and the pastor and his wife relocated

to a thriving city in south Louisiana – leaving behind a trail of tears and broken promises. Nevertheless, he settled into his new environment and began a new church and a school (1<sup>st</sup> through 12<sup>th</sup> grades). Both ventures began to thrive. Was it God? No! I believe it was his inherent ability as a businessman, as well as a minister. He understood the “nuts and bolts” of building churches and manipulating people. Unfortunately, the man had a character flaw from the beginning; and in the end, was arrested and sentenced to twenty years in prison for molesting a young girl. Here we should experience a moment of illumination: “Eureka!” or “Behold!” ... “*He (the real person) hath been*

*Continued on page 4*

## WHAT'S NEW?

### The High Costs of and Abuse Claim

#### Read the fine print of your sexually liability policy.

Some specific questions to consider when evaluating sexual liability policy:

- **Is the policy based on claims or occurrences?**

An occurrence policy states that an insurer will pay for any incidents that happen during the coverage year, regardless of when the claim is made, said Scott Figgins, vice president of underwriting for Brotherhood Mutual Insurance Company. “So let’s say I have a Sunday school teacher who molested a 2-year-old child [in 2017], and that child doesn’t come forward for 15 years,” he said. “It doesn’t matter, as long as the occurrence happened between January 1st and December 31st of 2017, that policy [the church had that year] will always respond to it.

The long tail of many allegations is a critical incentive for churches to save the original insurance policies forever in case a claim arises decades later, added Sommerville, who serves as an editorial advisor for Church Finance Today.

On the other hand, Figgins said, “A claims-made policy says that you have to bring the claim during the period of time that the policy is enforced.”

Failure to carefully read and understand language of a policy, Frymark said, “can be very financially catastrophic for the church” if a policy doesn’t cover all acts during the policy period.

- **What locations are covered by the policy?**

Mathews, a former general counsel for the Boy Scouts of America, said it’s important that the policy cover claims arising out of any location—not just the church building or a formally sponsored church event. This was a lesson he learned during his time with Boy Scouts. For example, would a sleepover at the youth choir leader’s house be covered?

—By Bobby Ross Jr. (Church Finance Today magazine published by Christianity Today issued August 2017)

### Q: How should we handle our pastor’s club dues?



For the purpose of community outreach, our pastor wants to join a couple of local clubs. The board would like to pay his dues, but can this be considered a business expense?

**A:** Many ministers belong to local clubs, including fitness and golf clubs. Some churches agree to pay the annual dues or fees to these clubs as a fringe benefit. In some cases, the minister (or church) treats the club dues as a business expense because membership in the club will either contribute to the minister’s health or expose the minister and church to the community.

Section 274(a)(3) of the tax code specifies that “no deduction shall be allowed for amounts paid or incurred for membership in any club organized for business, pleasure, recreation, or other social purpose.” As a result, dues paid to health and fitness clubs, golf clubs, airline clubs, hotel clubs, and dinner clubs are no longer deductible as a business expense. However, dues paid to professional organizations, such as bar associations and medical associations, and civic or public service organizations, such as Kiwanis, Lions, Rotary, chambers of commerce, and trade associations, are not covered by this prohibition and may qualify as business expenses.

Two points should be emphasized:

- **Reimbursements.** Since most club dues cannot be treated as a business expense, a church cannot pay for or reimburse such dues under an accountable expense reimbursement arrangement. If a church pays for a minister’s club dues, the full amount must be added to the minister’s Form W-2 or 1099-MISC as additional taxable compensation. It is not a business expense that is reimbursable under an accountable arrangement.

- **Deductions.** Ministers cannot claim a business expense deduction for unreimbursed club dues that they pay themselves.

For a more detailed explanation with examples, see chapter 7 in the *2017 Church & Clergy Tax Guide*.

—Adapted from the *2017 Church & Clergy Tax Guide* by Richard R. Hammar, available on ChurchLawAndTax-Store.com

## WHAT ARE YOUR RIGHTS?

### What Happens when a Teacher Assigns Objectionable Content?



If your child is in a public school, chances are they will eventually be assigned reading material that is inappropriate in some respect. As Christian parents, it is vital you understand your legal right to “opt” your child out of religiously objectionable assignments.

In the 1990s, the Department of Education issued a document called “Guidelines for Religious Expression in Public Schools”, and it remains to this day a vital document setting forth the religious rights students keep while in the public school. The key language in the guidelines regarding “opting out” of assignments reads as follows: “Teachers and administrators also are prohibited from discouraging activity because of its religious content, and from soliciting or encouraging antireligious activity.”

As such, if the school does not have a “compelling reason” to require every child to participate in a particular activity or assignment, then the school must allow a student to opt out at the request of the parent. For instance if a teacher assigns a book that alludes to witchcraft for the class to read, objecting parents could request their child read a comparable book. Your child can then write an essay or be tested on the alternative book choice as well. If classroom discussion takes place on the offensive material, your child should be permitted to leave the classroom during that time period.

It is vital you understand that your child cannot be required to speak in any manner that directly conflicts with their religious beliefs. Forcing a student to do so is a violation of the Establishment Clause. Your child also cannot be singled out or demeaned for their religious objection, nor given a punitive assignment in response to the objection.

The law provides your child significant legal rights protecting their right to practice and express their religion. The United States Supreme Court has specifically stated that a public school that prohibited religious speech or activities would “demonstrate not neutrality but hostility toward religion.”

If other students are permitted any sort of freedom of expression (choice of apparel, choice of reading material, etc.), then your child must be allowed to express his religion. Refusal to allow your child this right is specifically called “Viewpoint Discrimination”. For instance, if a school assignment allows students to select their own materials, your child has every right to choose to read the Bible or any other religious book for their assignment.

Additionally, your child may not be required to speak in school in a manner that directly conflicts with their religious beliefs. You also have the right to request your child be excused from a particular assignment or classroom discussion if the topic would be against your religious beliefs. These requests should be routinely granted by school administration. During any non-instructional time (which includes lunchtime), your child cannot be prohibited from engaging in religious speech or reading religious literature (including the Bible).

Many parents are fearful of placing their child in a public school, and in today’s society that fear is certainly understandable. For families that do have students in that arena, it can be a wonderful relief to know and understand the religious rights your child has while at school. Please contact our attorneys for free legal advice about your child’s particular situation.

—SOURCE: *The Legal Alert* publication of the Christian Law Association issued August 2017—888-252-1969—[www.christinalaw.org](http://www.christinalaw.org)

### Ministry Tax Date to Remember

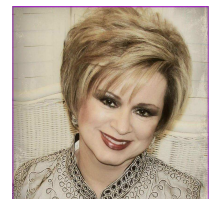
*In addition to the regular semiweekly and monthly withholding requirements, churches should note the following dates for this month*

#### SEPTEMBER 15th

► A Church must make quarterly estimated tax payments if it expects an unrelated business income tax liability for the year to be \$500 or more. Use IRS Form 990-W to figure your estimated taxes. Quarterly estimated tax payments of one-fourth of the total tax liability are due by April 15, June 15, September 15, and December 15, 2017, for church on a calendar-year basis. Deposit quarterly tax payments electronically using the EFTPS system.

► Ministers (who have not elected voluntary withholding) and self-employed workers must file their third quarterly estimated federal tax payment for 2017 by this date (a similar rule applies in many states to payments of estimated state taxes.)

Dr. Jan Harbuck—PCAI Office  
Need Help?  
Call PCAI - 1-866-268-5600  
Or go to [www.irs.gov](http://www.irs.gov)



**A High Standard a Must for a Ministry Leaders** *continued from page 1*

*hiding himself under a cloak of religiosity for a season.*” When a pastor has a bad reputation with outsiders, eventually it will be revealed that he/she has a serious character flaw.

Church leaders have many responsibilities relative to their calling to preach, teach and serve God’s people. But on the other hand, the congregation has a responsibility also – which is to support the church financially, and ensure the pastor is not “starved out” or placed under undue hardship. In the old days of the Classical Pentecostal faith, many pastors labored under heavy burdens placed upon them by congregations believing the old adage, “*Lord, You keep our pastor humble and we’ll keep him poor.*” In some circles, this kind of thinking still prevails. Paul told Timothy that those who serve as elders [for God’s people] deserve to be paid [well] for what they do (I Tim. 5:17-19). In fact, Paul said those elders who preached the Word of God, and did a good job in teaching, deserved a double blessing. This opposes the view that pastors should live in poverty. I Timothy 5:17-19 (NIV) says (v17) “*The elders who direct the affairs of the church well are worthy of double honor, especially those whose work is preaching and teaching.*” For the Scripture says (v18) “*Do not muzzle the ox while it is treading out the grain,*” and “*The worker deserves his wages.*” (v19) “*Do not entertain an accusation against an elder unless it is brought by two or three witnesses.*”

The church should present an example of how God does business, and be a reflection of God’s character. ***Thus, for the ministry leader, to conform to a high standard is not a choice, it is a must.*** □

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 Medi-Share  
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 Did You Know???  
 www.mychristiancare.org

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**OFFICE HOURS : 9:00AM to 4:00PM**

**ANNOUNCEMENT**

**RENEWAL FEE:**

Licensed Minister **\$50.00**  
 Ordained Minister **\$75.00**

**TWO WAYS TO RENEW:**

- (1) Complete the credential renewal form that was mailed to you.
- (2) ONLINE—you can fill out the renewal form by going to our website [www.http://paragonchristianalliance.org](http://www.http://paragonchristianalliance.org) located under the “Resource” tab

**Minister’s Credential  
 Renewal Forms Mailed Out  
 Due October 1st**



**NOTE:**

- ⇒ TO AVOID **\$100.00** LATE FEE MAIL BEFORE DUE DATE!
- ⇒ PAYMENT ONLINE IS NOW WORKING. JUST GO TO OUR WEBSITE UNDER THE DONATE BUTTON