

Missiology Handout

STEPS TO LEGALLY ORGANIZE AND INCORPORATE YOUR CHURCH

Organizing and planting a new church requires careful planning and implementation. This work is usually performed by the new church's launch team. While many important details must be managed by the launch team, legal and financial steps to successful church launch and management are highlighted in this document. The following steps would typically be performed in the approximate order below. Be sure to consult with a competent attorney or accountant when necessary.

- Convene a launch team with enough size to give the new church some lift and networking capability. Identify team members with administrative gifts to process legal requirements. Elect officers within the team. The Treasurer can manage the legal and financial processes.
- Prepare preliminary budgets for all aspects of the church operation: legal expenses, payroll and benefits, rent, supplies, program costs, etc. (see the on-line budget template resource)
- Identify and secure key sources of funding, including a supporting church, or churches, classis, CRC Home Missions, launch team members and other ministry-minded individuals.
- Establish a location for the church, as well as a mailing address for official correspondence.
- Prepare incorporation papers and bylaws, and then file them with the state. Engage an attorney to accomplish this step. (see on-line sample incorporation papers)
- Apply for an IRS Employer Identification Number (EIN). This becomes the key number to identify your church in federal, state and local tax and social security systems. See the following internet link to retrieve an SS-4 form and instructions:
<http://www.irs.ustreas.gov/formspubs/lists/0,,id=97817,00.html>.
- Apply with the CRC Denominational Office to be included within its 501(c)(3) group exemption and to obtain a CRC Yearbook listing. The phone number to call is: 616-224-0833. (see on-line example 501(c)(3) letter)
- Call the IRS for payroll withholding remittance coupons (Form 8109). Call 1-800-TAX-FORM.
- Register with state and local treasury departments for payroll withholding purposes.
- Check state and local fund-raising solicitation regulations. File any required state and local registration papers.
- Establish policies and procedures for managing your church. (see on-line personnel and administrative resources)
- Set up your accounting system - - QuickBooks is a good choice for bookkeeping, bill paying, payroll, etc. (see related on-line resources)
- Buy property, liability and workers' compensation insurance. (see on-line recommendations for coverage minimums)
- Buy health, dental, life and disability coverage for church employees. To obtain this insurance through the CRC Denominational Office, call 800-701-8992 or 616-224-5881.
- Update the church operating budget, and then load them into your accounting system.