

Church Offering Voucher Booklets

Prior to January 1, 2007, a donor in the U.S. could maintain his or her own records for contributions of cash to a church or other charitable organization. New rules, which went into effect on that date, specify that for *any* contribution of cash, check, or other monetary gift, a donor must maintain either:

- 1) a bank record, or
- 2) a receipt from the organization to which the gift was made.

If these records are not kept, then no deduction is allowed (see www.irs.gov/publications and search for "Publication 526" for additional information).

The impact of this change to most families will be the loss of deductibility of gifts of currency. Contributions of coins and bills that previously could be tracked by a donor's own records are now ineligible for deduction as charitable contributions. This makes the U.S. rules the same as those in Canada.

Some Christian Reformed churches in Canada have solved this problem by using *Church Offering Vouchers*. Vouchers are prepaid giving forms that can be dropped in the offering plate instead of currency. They are available in a booklet of sixteen contribution forms with a combined face value of \$40— six \$5 and ten \$1 vouchers. Members can use the vouchers in the same way as currency by putting vouchers in the collection plate for designated offerings. Voucher booklets are available free of charge to CRC churches in the United States and Canada from the denominational offices by contacting the Customer Service area of Faith Alive Christian Resources at 1-800-333-8300.

Vouchers can be made available to members through the church office. The cover of the voucher booklet has space to write the church name, address, date and an authorizing signature. When vouchers are purchased, the church administrator signs the cover of the booklet confirming payment. The cover serves as the donor's receipt. Voucher booklet purchases can be included on member giving statements. Funds received, as well as a list of who purchased the booklets, would be forwarded to the deacons.

Funds received by the church are deposited into the church's bank account and recorded as deferred revenue (a liability account). As the deacons count offerings, the face value of any vouchers received would be transferred from deferred revenue to the designated offering cause.

Vouchers would not expire, but from time to time the treasurer would adjust the deferred revenue balance to the estimated amount of sold vouchers still in circulation. The church should maintain cash sufficient to cover the deferred revenue balance. Any interest earned on the balance would be included in the general assets of the church.