

Chapter 7: Payroll and Other Information Returns

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7.100: Introduction

A typical Lutheran church or school will have two kinds of workers: the employee, who is treated for income tax purposes similarly to all secular businesses, and the “minister of the Gospel,” for whom the regulations for income, social security and Medicare tax are unique. IRS Publication 517, *“Social Security and Other Information for Members of the Clergy and Religious Workers,”* alludes to this uniqueness: “Because of specific legislation, you (minister of the Gospel) are considered a self-employed individual in performing your ministerial services for social security purposes. However, because of common-law rules, you may be considered an employee for other tax purposes.” See 7.105 for common-law rules and also IRS Publication 15-A. As the reporting and withholding requirements differ for each set of workers, the treasurer should be well versed in the differences and clearly understand in which category each worker is classified.

If you use an outside payroll service, you (congregation and minister) are still responsible. Because of the unique nature of regulations regarding “minister,” please pass this information on to your payroll service.

The IRS indicates that there are 3 categories to properly classify workers as an independent contractor (self-employed) or an employee: 1. Behavioral Control 2. Financial Control 3. Relationship of the parties. IRS Revenue Ruling 87-41 lists 20 factors to consider when making such a determination.

7.105:

Characteristics of Employees/Self-Employed

An employee is anyone who performs services for remuneration, and the congregation can control what will be done and how it will be done. According to IRS Publication 15, “Circular E, Employer’s Tax Guide,” and Publication 15-A, “Employee’s Supplemental Tax Guide,” the congregation is responsible for withholding the correct federal income tax based on the employee’s completed Form W-4. If wages for the calendar year exceed \$100, the congregation must also withhold and pay the employer’s share of social security and Medicare tax.

All lay workers of the congregation are to be treated as employees, unless there are truly unique circumstances. Congregations cannot treat workers as self-employed, independent contractors or neglect to maintain the other payroll requirements of an employer in order to avoid paying social security and Medicare tax.

The IRS indicates that there are 3 categories to properly classify workers as an independent contractor (self-employed) or an employee: 1. Behavioral Control 2. Financial Control 3. Relationship of the parties. IRS Revenue Ruling 87-41 lists 20 factors to consider when making such a determination. When applying the factors to ministers, the factors will describe the worker as an independent contractor in some cases and a common-law employee in others. However, the preponderance of factors indicate that a minister in The Lutheran Church—Missouri Synod is a common-law employee, even though for social security and Medicare tax and income tax withholding purposes, the worker is treated as self-employed.

At the bottom of the page is a summarized list of the characteristics of employees and independent contractors.

Characteristics of EMPLOYEES

- Required to comply with instructions
- Continuous relationship with employer
- Work is done personally by the worker
- Works full time
- No liability incurred if worker quits
- Worker’s expenses are reimbursed
- Reports of work completed must be submitted by worker
- Worker is furnished with tools and place to work
- Pension, health or other benefits are provided

Characteristics of SELF-EMPLOYED

- Can employ assistants
- The order and sequence of work set by worker
- Payment is by the job
- Hours of work set by worker
- The person may work for someone else at the same time
- The worker’s services are available to the public
- Tools are provided by the worker
- The worker can enjoy a financial profit or loss
- The work can be done on someone else’s business premises
- There is a substantial financial investment by the worker
- The worker has a business license

7.110:

Status of Congregational Workers

All congregational workers—both ministers and non-ministers—should normally have their compensation reported on IRS Form W-2. For purposes of paying social security and Medicare tax, all congregational workers, other than certain “IRS-recognized” ministers, will pay a portion of their social security and Medicare tax by means of social security and Medicare tax withholding, with the employer also paying its appropriate share. Persons paying social security and Medicare tax in this way are generally referred to as covered by the Federal Insurance Contribution Act (FICA). The Self-Employed Contribution Act (SECA) tax is levied on those who work for themselves and ministers of Religion regardless if employed by the congregation. It requires these workers to contribute tax to pay both the employer and employee portions of FICA.

A summary of various congregational workers and their social security status follows.

Normal Worker Title	Social Security Status	Exception
Certified Lay Minister	SECA	None
Deaconess	SECA	None
Directors of Christian Education, Christian Outreach or Parish Music	SECA	If not listed on Synod’s roster as “Commissioned Minister,” the social security status is FICA.
Director of Evangelism	FICA	None
Guest Pastor	SECA	Report earnings of at least \$600 on Form 1099-NEC.
Intentional Interim Minister	SECA	None
Janitor	FICA	If the worker does other work in the profession under contract, report earnings on Form 1099-NEC.
Lay Minister, Deacon	FICA	None
Nurse	FICA	None
Organist	FICA	If the worker does other work in the profession under contract, report earnings on Form 1099-NEC.
Parish Assistant	SECA	None
Parish Worker	FICA	None
Pastor	SECA	None
Secretary	FICA	None
Teacher/Substitute Teacher (not on Synod’s roster)	FICA	None
Teacher/Substitute Teacher (on Synod’s roster)	SECA	None
Vacancy Pastor	SECA	None
Vicar	FICA	If listed on Synod’s roster as “Commissioned Minister,” the social security status is SECA.

7.115:

Employee’s File

The church should maintain a file for each employee of the church. This file should include the following forms or reports, most of which are described in other areas of this manual:

1. Employment application and/or resume or call document.
2. Employer payroll authorization form. (See Exhibit 7-E.)
3. Copy of Concordia Plan Services enrollment form.
4. Form W-4.
5. Form I-9 (keep separate from employee’s file).
6. Forms required by the state.
7. Copy of applicable insurance enrollment forms, such as HMO, dental and vision plans.
8. Copy of statement to employee that no unemployment insurance is available if applicable. (See 12.400.)
9. Employee signed authorization for any payroll adjustment.
10. Federal or state levy (if exists).

The employee’s file should be retained permanently. The contents are considered confidential. Access to this file should be limited to the employee’s direct supervisor(s) and/or those involved in retention of him or her.

If the church has an employee evaluation, the evaluation also should be included in this file. However, as there are federal and state laws regarding these evaluations, it is recommended the church receive legal counsel for maintaining these evaluations.

Since Forms I-9 must be available for inspection upon an audit, it is advisable to keep these forms separate from the employee's personnel file.

7.120:

Minister of the Gospel

The IRS regulations require that all "IRS-recognized" ministers of the Gospel, male and female, are governed by the terms of the Self-Employment Contribution Act (SECA) for social security tax purposes. "IRS-recognized" ministers may pay their social security (SECA) and federal income tax in one of two ways. One method is to request their employer to "voluntarily" withhold federal income tax in an amount sufficient to cover both their social security (SECA) and federal income tax liability. (Please note that this allowable method of voluntary withholding payments for both SECA and federal income tax should be reported as federal income tax withheld, and not as either social security or Medicare tax.) See Exhibits 7-J(1), 7-K(3), and 7-L. The second method is to pay timely quarterly estimated tax payments for both the SECA and the federal income tax liability. (Refer to 1.340.)

7.200:

Cafeteria Plans

The "cafeteria plan" is a written plan established by an employer under Internal Revenue Code 125 that allows its employees a choice between a taxable (cash) benefit or a menu of "qualified" nontaxable benefits usually made via a salary reduction agreement. A cafeteria plan permits employees to receive certain tax-free fringe benefits from their employer even though they had the right to receive cash instead. If an employer has not established a bona fide cafeteria plan, any compensation of a non-taxable benefit in lieu of cash salary becomes taxable.

A cafeteria plan **must** present employees with a choice between cash and one or more nontaxable fringe benefits paid by the employer. A plan that allows employees to choose among several non-cash fringe benefits is not a cafeteria plan.

While this section of the Congregational Treasurer's Manual will provide some basic information regarding the cafeteria plan, the requirements for a qualified cafeteria plan are complex and we encourage you to consult a tax attorney or Certified Public Accountant for assistance in preparing your plan. We would also note that some insurance carriers offer services in writing and administering cafeteria plans. Other agencies may offer services to administer the employer's plan for a fee.

Please note that the name "cafeteria plan" is drawn from the menu of options and has no relationship to the eating facility.

7.205:

Qualified Benefits

The only taxable benefit under the cafeteria plan is cash. Employees electing to receive cash will have that amount recorded as ordinary income on the W-2 form. Nontaxable benefits under a cafeteria plan may include the following:

- Employer-paid group term life insurance coverage up to \$50,000.
- Employer-paid medical insurance premiums.
- Employer reimbursements of medical expenses under an accident or health plan. This does include the deductibles under the Concordia Health Plan, dental expense deductibles or those exceeding the plan limit, eye examinations and corrective lenses not in the health plan, etc.
- Employer paid dependent care.
- Adoption assistance.

7.210:

Non-Qualified Benefits

A cafeteria plan may not include such benefits as scholarships, educational assistance programs, fringe benefits that are of such little value that it would be administratively impractical to account for them, employee discounts and fringe benefits granted by the employer as a working condition (business use of a car furnished by the employer).

Other items which may not be included are elective cosmetic surgery, health club dues, medical insurance premiums not employer paid, dancing lessons, maternity clothing, marriage counseling and swimming pools, saunas or exercise equipment.

7.215:

Requirements

1. The plan must be in writing.
2. A specific description of each of the benefits available under the plan and the periods during which the benefits are provided (usually the fiscal or calendar year).
3. An explanation of procedures for participants' elections under the plan including when the elections can be made for incumbent and new employees, whether the elections are irrevocable, and the periods for which they are effective (usually one year).
4. How the plan is to be funded. Employer contributions may be made by a salary reduction agreement with the employee or by nonelective employer contributions.

5. The maximum amount that can be made available in the form of employer contributions to any one employee.
6. The calendar or fiscal year on which the plan operates.

7.220:

Highly Compensated Employees

The employer's plan may not discriminate in favor of highly compensated employees. If it does discriminate in favor of such employees, they may lose the benefit of the exclusion.

7.225:

Recordkeeping

A critical point of recordkeeping is that records for each claim under the plan must clearly substantiate that the requirements of the plan are being met. That is, that the funds are used only for permitted purposes and the claim is properly verified.

7.230:

Flexible Spending Arrangement (FSA)

This is a popular type of cafeteria plan and offers the employee options to cover health care costs in an era of diminishing health benefits. It may also be used for certain dependent care. Concordia Health Plan offers three types of "personal spending accounts" that the employee can integrate with his or her selected health options.

One of these products is an FSA. It allows a salary reduction to pay health costs with pre-tax dollars.

In addition to other cafeteria plan requirements noted above, the following additional requirements apply to the Health FSA:

1. In 2024, annual employee contributions will be capped at \$3,200.
2. An employee cannot receive funds set aside in a health FSA as cash or any other benefit in the event they are not needed to pay medical expenses.
3. Employers may offer only one of two of the following options or none at all: 1) it can provide a "grace period" of up to 2 1/2 extra months to use any balance remaining in the FSA at year's end, or 2) it can allow employees to carry up to \$570 per year to use in the following year.

Unused funds revert back to the employer and may be used to defray administrative costs of the plan or distributed to all participants equally as an experience gain dividend (added to the W-2 for the year).

4. Changes in the amount of salary reductions may not be made during the plan year except in the case of changes in family status or employment status.
5. An employee may claim reimbursement for medical expenses at any time during the year up to the maximum amount of coverage, that is, up to the

Cafeteria Plan/FSA

What is the difference between a cafeteria plan and an FSA? A pure cafeteria plan is funded with employer dollars and the employee has the choice of the benefit or the funds. The FSA, on the other hand, is funded with employee before-tax dollars. **These dollars are not subject to federal, state or social security withholding. Neither are they subject to a minister's self-employment tax liability.**

amount of salary reduction for the year, even if actual payments into the FSA are less than the amount claimed at this time of the year.

The employer also benefits from the FSA in that payroll taxes including the employer's share of FICA are reduced by the amount the employee sets aside.

7.235:

Dependent Care Under FSA

The FSA may also be used for qualified dependent care expenses, providing **all** the following conditions are met:

1. The services must be rendered during the year for which the deduction applies.
2. Each individual for whom the employee incurs expenses is:
 - a. a dependent under age 13, who the employee is entitled to claim as a dependent on his/her federal income tax return; **or**
 - b. a spouse or other tax dependent who is physically or mentally incapable of caring for himself or herself.
3. The expenses are incurred for the care of a dependent described above and are incurred so that the worker may be gainfully employed.
4. If the expenses are incurred outside the household, they are incurred for the care of a dependent who is described in 2a (above), or who regularly spends at least eight hours per day in the worker's household.
5. If the expenses are incurred for services provided by a dependent care center (caring for more than six individuals not residing at the facility) the center must comply with all applicable state and local laws and regulations.
6. If the expenses are incurred for services provided by a camp, the dependent may not stay overnight at the camp.
7. The expenses may not be paid to a child of yours under the age of 19 at the end of the year in which the expense was incurred or to an individual whom you may claim as a personal tax exemption on your tax return.
8. The reimbursement (when aggregated with all other reimbursements received by the worker under the plan

during the same year) may not exceed the least of the following:

- a. \$5,000 (\$2,500 if you do not certify that [i] you will file a joint Federal income tax return for the year with your spouse or [ii] you are not married).
- b. Your taxable compensation (after the reduction agreed to for dependent care assistance).
- c. If you are married, your spouse's actual or deemed earned income.

7.300: Payroll Records and Forms

7.305:

Sample Payroll with Completed Tax Forms

Sections 7.310 to 7.370 contain step-by-step procedures for completing the payroll of First Lutheran Church. Exhibit 7-A is the annual payroll information illustrated on the following filled-in forms. The payroll information correlates with the bookkeeping records illustrated in Chapter 23.

7.310:

Employer Identification Number

Every congregation and separately incorporated school should have an Employer Identification Number (EIN). A school that is operated by a congregation and not separately incorporated should use the congregation's EIN number. An EIN is a nine-digit number assigned by the IRS. It must be used on all forms and reports submitted to the IRS, including payroll forms, and the annual submission LCMS makes with respect to maintaining the organization's group income tax exemption. It is also necessary for opening a checking or savings account in the church's name.

If the congregation does not have an EIN, there are a variety of ways to obtain one. The preferred method is by Internet. Go to irs.gov anytime (24/7) and search the IRS site for "EIN." Follow the instructions for completing all the necessary fields of the online application. When asked for type of legal structure is applying for an EIN, find and select "Church-Controlled Organization." The IRS will issue the EIN immediately upon successful submission of the online application. No paper needs to be sent to the IRS.

It can also be acquired by fax or mail. Applications usually take four to five weeks for processing. Obtain and complete IRS Form SS-4, "Application for Employer Identification Number" (Exhibit 7-B). The address to which it must be mailed can be found in the form's instructions.

Applying for an EIN is a free service offered by the Internal Revenue Service. Beware of websites on the Internet that charge for this same service.

Application by fax generates an EIN within four business days. Complete and fax the Form SS-4 to the IRS using the Fax-TIN number provided in the form's instructions. Be sure to give the IRS a fax number to which it can fax the EIN

back. Similar to the Internet, Fax-TIN is available 24 hours a day, seven days a week.

Upon obtaining the EIN, the applicant should subsequently receive **IRS Publication 15, "Circular E."** This publication has complete instructions on withholding, remitting and reporting taxes. Tables for determining the amount of income tax to withhold are found in IRS Publication 15-T.

Synod's Group Exemption Number is 1709.

7.311:

Responsible Party Update

When a church or church-related organization applies for a federal Employer Identification Number ("EIN") it reports the organization's responsible party. As this person changes, the new information must be updated with the IRS within 60 days of the change on IRS Form 8822-B. The form and its instructions are available at irs.gov.

The responsible party for an organization depends on its legal structure and polity. It could be another entity, but is more typically an individual. For most LCMS congregations, the person who best fits the IRS definition is most likely than not their respective treasurer because he or she, more than anyone else, directly or indirectly "controls, manages or directs the entity and the disposition of its funds and assets."

7.315:

Form W-4, Employee's Withholding Certificate

Form W-4, "Employee's Withholding Certificate," (Exhibit 7-C) must be completed by each employee, full-time and part-time. It reports the employee's name, address and social security number (SSN). It is the basis for determining the amount of income tax withheld. For regular wages, income tax withholding is based on the employee's marital status plus any increases or decreases to standard withholding as requested by the employee. The employee can complete the form using the W-4 form worksheets or the IRS Withholding Calculator, at irs.gov/W4App. Employees should consider using the calculator for special tax situations such as a working spouse, more than one job or a large amount of non-wage income. If the calculator is used, there is no need to use the W-4 worksheets. If the employee does not provide a completed Form W-4, the employer must withhold federal income tax as if the worker were single with no withholding allowance.

The form remains valid until a new one is furnished by the employee. The employee is required to file a new Form W-4 when changes to a personal or financial situation would change the entries on the form.

It is necessary to report the correct names and SSNs on W-2 wage reports. The Social Security Administration provides an online service to verify that employee names and SSN's match. Go to ssa.gov/employer/ssnv.htm for information on this service.

(Go to page 7-9)

INDIVIDUAL PAYROLL RECORD

Employee Name Mary Kelly Social Security No. 342-02-1234 Marital Status M Exemption Allowance(s) 1
 Address 789 Main St. Position Secretary Exempt from Federal Income Tax withholding? Yes X No
St. Louis Mo 63123 Phone No. 314-826-1000 Rate: Hourly \$ Weekly \$ Monthly \$ 800.00

Year 20XX

Period Ending	Basic Salary	Housing Allowance	Auto Allowance	Christmas Gift	Total Earnings	Federal Withheld	Social Security Tax	Medicare Tax	State Withheld	Other	Advance	Net Paid	Check No.
1-31-XX	800.00				800.00	60.00	49.60	11.60	21.00	2.80		655.00	106
2-28-XX	800.00				800.00	60.00	49.60	11.60	21.00	2.80		655.00	124
3-31-XX	800.00				800.00	60.00	49.60	11.60	21.00	2.80		655.00	147
Total First Quarter	2400.00				2400.00	180.00	148.80	34.80	63.00	8.40		1965.00	
4-30-XX	800.00				800.00	60.00	49.60	11.60	21.00	2.80		655.00	167
5-31-XX	800.00				800.00	60.00	49.60	11.60	21.00	2.80		655.00	191
6-30-XX	800.00				800.00	60.00	49.60	11.60	21.00	2.80		655.00	214
Total 2nd Quarter	2400.00				2400.00	180.00	148.80	34.80	63.00	8.40		1965.00	
7-31-XX	800.00				800.00	60.00	49.60	11.60	21.00	2.80		655.00	235
8-31-XX	800.00				800.00	60.00	49.60	11.60	21.00	2.80		655.00	246
9-30-XX	800.00				800.00	60.00	49.60	11.60	21.00	2.80		655.00	253
Total 3rd Quarter	2400.00				2400.00	180.00	148.80	34.80	63.00	8.40		1965.00	
10-31-XX	800.00				800.00	60.00	49.60	11.60	21.00	2.80		655.00	308
11-30-XX	800.00				800.00	60.00	49.60	11.60	21.00	2.80		655.00	329
12-20-XX				50.00	50.00		3.10	.73				46.17	342
12-31-XX	800.00				800.00	60.00	49.60	11.60	21.00	2.80		655.00	349
Total 4th Quarter	2400.00			50.00	2450.00	180.00	151.90	35.53	63.00	8.40		2011.17	
Annual Totals	9600.00			50.00	9650.00	720.00	598.30	139.93	252.00	33.60		7906.17	

EXHIBIT 7-A

Application for Employer Identification Number
(For use by employers, corporations, partnerships, trusts, estates, churches,
government agencies, Indian tribal entities, certain individuals, and others.)
See separate instructions for each line. Keep a copy for your records.
Go to www.irs.gov/FormSS4 for instructions and the latest information.

OMB No. 1545-0003

EIN

Type or print clearly.	1 Legal name of entity (or individual) for whom the EIN is being requested					
	2 Trade name of business (if different from name on line 1)	3 Executor, administrator, trustee, "care of" name				
	4a Mailing address (room, apt., suite no. and street, or P.O. box)	5a Street address (if different) (Don't enter a P.O. box.)				
	4b City, state, and ZIP code (if foreign, see instructions)	5b City, state, and ZIP code (if foreign, see instructions)				
	6 County and state where principal business is located					
	7a Name of responsible party		7b SSN, ITIN, or EIN			
8a Is this application for a limited liability company (LLC) (or a foreign equivalent)? <input type="checkbox"/> Yes <input type="checkbox"/> No		8b If 8a is "Yes," enter the number of LLC members				
8c If 8a is "Yes," was the LLC organized in the United States? <input type="checkbox"/> Yes <input type="checkbox"/> No						
9a Type of entity (check only one box). Caution: If 8a is "Yes," see the instructions for the correct box to check. <input type="checkbox"/> Sole proprietor (SSN) <input type="checkbox"/> Estate (SSN of decedent) <input type="checkbox"/> Partnership <input type="checkbox"/> Plan administrator (TIN) <input type="checkbox"/> Corporation (enter form number to be filed) <input type="checkbox"/> Trust (TIN of grantor) <input type="checkbox"/> Personal service corporation <input type="checkbox"/> Military/National Guard <input type="checkbox"/> State/local government <input type="checkbox"/> Church or church-controlled organization <input type="checkbox"/> Farmers' cooperative <input type="checkbox"/> Federal government <input type="checkbox"/> Other nonprofit organization (specify) <input type="checkbox"/> REMIC <input type="checkbox"/> Indian tribal governments/enterprises <input type="checkbox"/> Other (specify) <input type="checkbox"/> Group Exemption Number (GEN) if any						
9b If a corporation, name the state or foreign country (if applicable) where incorporated		State	Foreign country			
10 Reason for applying (check only one box) <input type="checkbox"/> Started new business (specify type) <input type="checkbox"/> Banking purpose (specify purpose) <input type="checkbox"/> Hired employees (Check the box and see line 13.) <input type="checkbox"/> Changed type of organization (specify new type) <input type="checkbox"/> Compliance with IRS withholding regulations <input type="checkbox"/> Purchased going business <input type="checkbox"/> Other (specify) <input type="checkbox"/> Created a trust (specify type) <input type="checkbox"/> Created a pension plan (specify type)						
11 Date business started or acquired (month, day, year). See instructions.		12 Closing month of accounting year				
13 Highest number of employees expected in the next 12 months (enter -0- if none). If no employees expected, skip line 14. <table border="1"><tr><td>Agricultural</td><td>Household</td><td>Other</td></tr></table>		Agricultural	Household	Other	14 If you expect your employment tax liability to be \$1,000 or less in a full calendar year and want to file Form 944 annually instead of Forms 941 quarterly, check here. (Your employment tax liability will generally be \$1,000 or less if you expect to pay \$5,000 or less, \$6,536 or less if you're in a U.S. territory, in total wages.) If you don't check this box, you must file Form 941 for every quarter. <input type="checkbox"/>	
Agricultural	Household	Other				
15 First date wages or annuities were paid (month, day, year). Note: If applicant is a withholding agent, enter date income will first be paid to nonresident alien (month, day, year)						
16 Check one box that best describes the principal activity of your business. <input type="checkbox"/> Construction <input type="checkbox"/> Rental & leasing <input type="checkbox"/> Transportation & warehousing <input type="checkbox"/> Health care & social assistance <input type="checkbox"/> Wholesale—agent/broker <input type="checkbox"/> Real estate <input type="checkbox"/> Manufacturing <input type="checkbox"/> Finance & insurance <input type="checkbox"/> Accommodation & food service <input type="checkbox"/> Wholesale—other <input type="checkbox"/> Retail <input type="checkbox"/> Other (specify)						
17 Indicate principal line of merchandise sold, specific construction work done, products produced, or services provided.						
18 Has the applicant entity shown on line 1 ever applied for and received an EIN? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," write previous EIN here						
Third Party Designee	Complete this section only if you want to authorize the named individual to receive the entity's EIN and answer questions about the completion of this form.					
	Designee's name		Designee's telephone number (include area code)			
	Address and ZIP code		Designee's fax number (include area code)			
Under penalties of perjury, I declare that I have examined this application, and to the best of my knowledge and belief, it is true, correct, and complete.			Applicant's telephone number (include area code)			
Name and title (type or print clearly)			Applicant's fax number (include area code)			
Signature		Date				

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 16055N

Form **SS-4** (Rev. 12-2023)

EXHIBIT 7-B

All Form W-4s are to be retained by the employer.

The “minister of the Gospel” may also complete the form but should note that no taxes are to be withheld pursuant to Section 3401(a)(9) of the Internal Revenue Code that specifically exempts the minister’s wages from income tax withholding. If the minister elects to have income tax withheld (see 1.350), he/she must complete the form as instructed with additional amounts to be deducted for self-employment tax. If voluntary withholding is requested, both the employee and employer must sign Form W-4.

Additional withholding forms may be required in some states. Contact your LCMS district office for clarification.

7.316:

Disposal of Consumer Reports

The Federal Trade Commission requires employers to dispose of their consumer reports in any such manner that discourages or impedes identity theft. Credit checks, criminal records, and references that are often gathered

in hiring employees are all examples of consumer reports under this rule. It is recommended to destroy these document types by shredding, burning or pulverizing. Simply throwing them into a trash can is prohibited. Before you dispose of a computer containing similar information, use a wipe utility program to overwrite the entire hard drive. For more detailed information, go to the FTC website at [ftc.gov](https://www.ftc.gov).

7.317:

New Hire Reporting

Employers are required to report any new employee to their state New Hire Reporting Agency. Requirements and due dates for reporting varies by individual state. You should consult with your individual state for applicable requirements. (See also 12.700.)

Form W-4		Employee's Withholding Certificate		OMB No. 1545-0074
Department of the Treasury Internal Revenue Service		Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay. Give Form W-4 to your employer. Your withholding is subject to review by the IRS.		
		2024		
Step 1: Enter Personal Information	(a) First name and middle initial	Last name		(b) Social security number
	Address			Does your name match the name on your social security card? If not, to ensure you get credit for your earnings, contact SSA at 800-772-1213 or go to www.ssa.gov .
	City or town, state, and ZIP code			
	(c) <input type="checkbox"/> Single or Married filing separately <input type="checkbox"/> Married filing jointly or Qualifying surviving spouse <input type="checkbox"/> Head of household (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)			
Complete Steps 2–4 ONLY if they apply to you; otherwise, skip to Step 5. See page 2 for more information on each step, who can claim exemption from withholding, and when to use the estimator at www.irs.gov/W4App .				
Step 2: Multiple Jobs or Spouse Works	Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs. Do only one of the following. (a) Use the estimator at www.irs.gov/W4App for most accurate withholding for this step (and Steps 3–4). If you or your spouse have self-employment income, use this option; or (b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below; or (c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is generally more accurate than (b) if pay at the lower paying job is more than half of the pay at the higher paying job. Otherwise, (b) is more accurate <input type="checkbox"/>			
Complete Steps 3–4(b) on Form W-4 for only ONE of these jobs. Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3–4(b) on the Form W-4 for the highest paying job.)				
Step 3: Claim Dependent and Other Credits	If your total income will be \$200,000 or less (\$400,000 or less if married filing jointly): Multiply the number of qualifying children under age 17 by \$2,000 \$ _____ Multiply the number of other dependents by \$500 \$ _____ Add the amounts above for qualifying children and other dependents. You may add to this the amount of any other credits. Enter the total here 3 \$ _____			
Step 4 (optional): Other Adjustments	(a) Other income (not from jobs). If you want tax withheld for other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, dividends, and retirement income 4(a) \$ _____			
	(b) Deductions. If you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here 4(b) \$ _____			
	(c) Extra withholding. Enter any additional tax you want withheld each pay period . . . 4(c) \$ _____			
Step 5: Sign Here	Under penalties of perjury, I declare that this certificate, to the best of my knowledge and belief, is true, correct, and complete.			
	Employee's signature (This form is not valid unless you sign it.)		Date	
Employers Only	Employer's name and address	First date of employment	Employer identification number (EIN)	
For Privacy Act and Paperwork Reduction Act Notice, see page 3. Cat. No. 10220Q Form W-4 (2024)				

EXHIBIT 7-C

7.318:

Form I-9, Employment Eligibility Verification

The Immigration Reform and Control Act (ACT) of 1986 requires all U.S. employers to complete and retain Form I-9, "Employment Eligibility Verification," (Exhibit 7-D) for each employee hired, including a minister of religion — ordained or commissioned, even if the employer is absolutely certain the employee is a U.S. citizen. Churches and schools are not exempt from this Act.

To understand the Act and complete the form, the church should obtain Form M-274, the "Handbook for Employers" from U.S. Citizenship and Immigration Services. By phone, call 800-375-5283; by internet, go to uscis.gov. Form I-9 contains two parts: (1) employee information and verification, and (2) employer review and verification. The second part requires that the employer examine original documents of the employee. These documents include in part: a United States passport, a state-issued driver's license, a U.S. military card, social security number card or birth certificate.

Supplement A is to be completed by a preparer or translator who assists in completing the Form I-9, and Supplement B is used if reverification is required. Supplements A and B are to be completed and retained only if they apply.

The form must be retained by the employer for at least three years after hiring or one year after the date of employee termination, whichever is later.

Note: Payments to non-U.S. citizens can be subject to an entirely different set of reporting and withholding rules that make up a tax system completely separate from the U.S. Tax System. Failing to report or withhold correctly may cost you severely in penalties. In determining how to tax any non-U.S. citizen, you must first decide whether the recipient is classified as a U.S. "resident" alien or a "nonresident" alien. For more information about the classification, reporting and withholding rules applicable to nonresident aliens, obtain Publication 515 from IRS.

Employment Eligibility Verification		USCIS	
Department of Homeland Security		Form I-9	
U.S. Citizenship and Immigration Services		OMB No.1615-0047 Expires 07/31/2026	
START HERE: Employers must ensure the form instructions are available to employees when completing this form. Employers are liable for failing to comply with the requirements for completing this form. See below and the instructions .			
ANTI-DISCRIMINATION NOTICE: All employees can choose which acceptable documentation to present for Form I-9. Employers cannot ask employees for documentation to verify information in Section 1 , or specify which acceptable documentation employees must present for Section 2 or Supplement B, Reverification and Rehire . Treating employees differently based on their citizenship, immigration status, or national origin may be illegal.			
Section 1. Employee Information and Attestation: Employees must complete and sign Section 1 of Form I-9 no later than the first day of employment , but not before accepting a job offer.			
Last Name (Family Name)		First Name (Given Name)	Middle Initial (if any) Other Last Names Used (if any)
Address (Street Number and Name)		Apt. Number (if any)	City or Town State ZIP Code
Date of Birth (mm/dd/yyyy)	U.S. Social Security Number	Employee's Email Address	Employee's Telephone Number
I am aware that federal law provides for imprisonment and/or fines for false statements, or the use of false documents, in connection with the completion of this form. I attest, under penalty of perjury, that this information, including my selection of the box attesting to my citizenship or immigration status, is true and correct.			
Check one of the following boxes to attest to your citizenship or immigration status (See page 2 and 3 of the instructions.):			
<input type="checkbox"/> 1. A citizen of the United States			
<input type="checkbox"/> 2. A noncitizen national of the United States (See Instructions.)			
<input type="checkbox"/> 3. A lawful permanent resident (Enter USCIS or A-Number.)			
<input type="checkbox"/> 4. A noncitizen (other than Item Numbers 2. and 3. above) authorized to work until (exp. date, if any)			
If you check Item Number 4., enter one of these:			
USCIS A-Number		OR	Form I-94 Admission Number
		OR	Foreign Passport Number and Country of Issuance
Signature of Employee		Today's Date (mm/dd/yyyy)	
If a preparer and/or translator assisted you in completing Section 1, that person MUST complete the Preparer and/or Translator Certification on Page 3.			
Section 2. Employer Review and Verification: Employers or their authorized representative must complete and sign Section 2 within three business days after the employee's first day of employment, and must physically examine, or examine consistent with an alternative procedure authorized by the Secretary of DHS, documentation from List A OR a combination of documentation from List B and List C. Enter any additional documentation in the Additional Information box; see Instructions.			
List A		OR	List B AND List C
Document Title 1			
Issuing Authority			
Document Number (if any)			
Expiration Date (if any)			
Document Title 2 (if any)		Additional Information	
Issuing Authority			
Document Number (if any)			
Expiration Date (if any)			
Document Title 3 (if any)			
Issuing Authority			
Document Number (if any)			
Expiration Date (if any)			
		<input type="checkbox"/> Check here if you used an alternative procedure authorized by DHS to examine documents.	
Certification: I attest, under penalty of perjury, that (1) I have examined the documentation presented by the above-named employee, (2) the above-listed documentation appears to be genuine and to relate to the employee named, and (3) to the best of my knowledge, the employee is authorized to work in the United States.			First Day of Employment (mm/dd/yyyy):
Last Name, First Name and Title of Employer or Authorized Representative		Signature of Employer or Authorized Representative	
Employer's Business or Organization Name		Employer's Business or Organization Address, City or Town, State, ZIP Code	
For reverification or rehire, complete Supplement B, Reverification and Rehire on Page 4.			
Form I-9 Edition 08/01/23 Page 1 of 4			

EXHIBIT 7-D(2)



Employment Eligibility Verification
Department of Homeland Security
U.S. Citizenship and Immigration Services

USCIS
Form I-9
OMB No.1615-0047
Expires 07/31/2026

START HERE: Employers must ensure the form instructions are available to employees when completing this form. Employers are liable for failing to comply with the requirements for completing this form. See below and the Instructions.

ANTI-DISCRIMINATION NOTICE: All employees can choose which acceptable documentation to present for Form I-9. Employers cannot ask employees for documentation to verify information in **Section 1**, or specify which acceptable documentation employees must present for **Section 2** or Supplement B, Reverification and Rehire. Treating employees differently based on their citizenship, immigration status, or national origin may be illegal.

Section 1. Employee Information and Attestation: Employees must complete and sign Section 1 of Form I-9 no later than the **first day of employment**, but not before accepting a job offer.

Last Name (Family Name)		First Name (Given Name)		Middle Initial (if any)	Other Last Names Used (if any)	
Address (Street Number and Name)			Apt. Number (if any)	City or Town		State ZIP Code
Date of Birth (mm/dd/yyyy)	U.S. Social Security Number		Employee's Email Address			Employee's Telephone Number
I am aware that federal law provides for imprisonment and/or fines for false statements, or the use of false documents, in connection with the completion of this form. I attest, under penalty of perjury, that this information, including my selection of the box attesting to my citizenship or immigration status, is true and correct.		Check one of the following boxes to attest to your citizenship or immigration status (See page 2 and 3 of the instructions.):				
		<input type="checkbox"/> 1. A citizen of the United States				
		<input type="checkbox"/> 2. A noncitizen national of the United States (See Instructions.)				
		<input type="checkbox"/> 3. A lawful permanent resident (Enter USCIS or A-Number.)				
		<input type="checkbox"/> 4. A noncitizen (other than Item Numbers 2. and 3. above) authorized to work until (exp. date, if any)				
		If you check Item Number 4., enter one of these:				
		USCIS A-Number	OR	Form I-94 Admission Number	OR	Foreign Passport Number and Country of Issuance
Signature of Employee				Today's Date (mm/dd/yyyy)		

If a preparer and/or translator assisted you in completing Section 1, that person **MUST** complete the Preparer and/or Translator Certification on Page 3.

Section 2. Employer Review and Verification: Employers or their authorized representative must complete and sign **Section 2** within three business days after the employee's first day of employment, and must physically examine, or examine consistent with an alternative procedure authorized by the Secretary of DHS, documentation from List A OR a combination of documentation from List B and List C. Enter any additional documentation in the Additional Information box; see Instructions.

	List A	OR	List B	AND	List C
Document Title 1					
Issuing Authority					
Document Number (if any)					
Expiration Date (if any)					
Document Title 2 (if any)			Additional Information		
Issuing Authority					
Document Number (if any)					
Expiration Date (if any)					
Document Title 3 (if any)					
Issuing Authority					
Document Number (if any)					
Expiration Date (if any)					
<input type="checkbox"/> Check here if you used an alternative procedure authorized by DHS to examine documents.					
Certification: I attest, under penalty of perjury, that (1) I have examined the documentation presented by the above-named employee, (2) the above-listed documentation appears to be genuine and to relate to the employee named, and (3) to the best of my knowledge, the employee is authorized to work in the United States.					First Day of Employment (mm/dd/yyyy):
Last Name, First Name and Title of Employer or Authorized Representative			Signature of Employer or Authorized Representative		Today's Date (mm/dd/yyyy)
Employer's Business or Organization Name			Employer's Business or Organization Address, City or Town, State, ZIP Code		

For reverification or rehire, complete Supplement B, Reverification and Rehire on Page 4.

EXHIBIT 7-D(2)

LISTS OF ACCEPTABLE DOCUMENTS

All documents containing an expiration date must be unexpired.

* Documents extended by the issuing authority are considered unexpired.

Employees may present one selection from List A or a combination of one selection from List B and one selection from List C.

Examples of many of these documents appear in the Handbook for Employers (M-274).

LIST A		OR	LIST B		AND	LIST C						
Documents that Establish Both Identity and Employment Authorization			Documents that Establish Identity			Documents that Establish Employment Authorization						
1. U.S. Passport or U.S. Passport Card			1. Driver's license or ID card issued by a State or outlying possession of the United States provided it contains a photograph or information such as name, date of birth, gender, height, eye color, and address			1. A Social Security Account Number card, unless the card includes one of the following restrictions: (1) NOT VALID FOR EMPLOYMENT (2) VALID FOR WORK ONLY WITH INS AUTHORIZATION (3) VALID FOR WORK ONLY WITH DHS AUTHORIZATION						
2. Permanent Resident Card or Alien Registration Receipt Card (Form I-551)			2. ID card issued by federal, state or local government agencies or entities, provided it contains a photograph or information such as name, date of birth, gender, height, eye color, and address			2. Certification of report of birth issued by the Department of State (Forms DS-1350, FS-545, FS-240)	3. Original or certified copy of birth certificate issued by a State, county, municipal authority, or territory of the United States bearing an official seal					
3. Foreign passport that contains a temporary I-551 stamp or temporary I-551 printed notation on a machine-readable immigrant visa			3. School ID card with a photograph					4. Native American tribal document	5. U.S. Citizen ID Card (Form I-197)			
4. Employment Authorization Document that contains a photograph (Form I-766)			4. Voter's registration card		6. Identification Card for Use of Resident Citizen in the United States (Form I-179)					7. Employment authorization document issued by the Department of Homeland Security For examples, see Section 7 and Section 13 of the M-274 on uscis.gov/i-9-central . The Form I-766, Employment Authorization Document, is a List A, Item Number 4. document, not a List C document.		
5. For an individual temporarily authorized to work for a specific employer because of his or her status or parole: a. Foreign passport; and b. Form I-94 or Form I-94A that has the following: (1) The same name as the passport; and (2) An endorsement of the individual's status or parole as long as that period of endorsement has not yet expired and the proposed employment is not in conflict with any restrictions or limitations identified on the form.			5. U.S. Military card or draft record			For persons under age 18 who are unable to present a document listed above:						
6. Passport from the Federated States of Micronesia (FSM) or the Republic of the Marshall Islands (RMI) with Form I-94 or Form I-94A indicating nonimmigrant admission under the Compact of Free Association Between the United States and the FSM or RMI			6. Military dependent's ID card					10. School record or report card				
			7. U.S. Coast Guard Merchant Mariner Card		11. Clinic, doctor, or hospital record							
			8. Native American tribal document			12. Day-care or nursery school record						
			9. Driver's license issued by a Canadian government authority									

*Refer to the Employment Authorization Extensions page on [I-9 Central](#) for more information.

EXHIBIT 7-D(3)

7.320:

Payroll Authorization Form

A payroll authorization form (Exhibit 7-E) should be completed each time a new employee is added or deleted from the payroll or any other payroll revision is made.

The authorization form is to be completed by a congregational officer (*president, treasurer, etc.*) after the voters' assembly or appropriate board or committee has approved a payroll revision.

7.325:

Payroll Check

The stub of the payroll check or an attached schedule must contain all payroll and withholding information (see Exhibit 7-F). It is helpful to include year-to-date payroll information.

7.330:

Payroll Records

Accurate records that record each payroll check, wages and all taxes withheld with quarterly and annual totals must be kept (see Exhibit 7-G). An individual ledger sheet should be maintained for each employee. (Exhibit 7-A)

7.334:

Overtime Pay

The Fair Labor Standards Act (FLSA) requires that overtime be paid at a rate of not less than one and one-half times an employee's regular rate of pay for each hour that an employee works in excess of 40 hours in a single workweek. It may begin on any day of the week and at any hour of the day.

Contrary to popular belief, comp time does not exist as an alternative to paying overtime. Time off cannot be banked or accrued beyond the workweek in which the worker works overtime. It is permissible, however, to offer "time off" in lieu of the overtime pay if the time-off is used within the same workweek. Generally, employers who offer this "time off" administer it on an hour-for-hour basis.

There exist certain exemptions from the minimum wage and overtime requirements. The most used are the executive, administrative and professional exemptions. These are often called the "white collar exemptions." To be exempt, employees must be paid on a salary basis, paid at the required salary level of at least \$684 per week (the equivalent of \$35,568 per year). To be paid on a salary basis means that the employee's compensation is not subject to reduction based on the quality or quantity of work. In addition to meeting the salary test and being paid on a salary basis, the employee is exempt only if he or she meets a "duties test." The "duties test" varies depending upon the particular exemption. An employee whose duty requires advanced knowledge beyond high school level and is customarily acquired by a prolonged course of specialized intellectual instruction may meet the duty requirement for the learned or creative professional.

An employee whose primary duty is to manage or direct operations and supervise at least two full-time employees or their equivalent (one full-time and two half-time employees) may qualify under the executive exemption. An employee whose primary duty is the performance of office or non-manual work directly related to the management or general business operations, which include the exercise of discretion and independent judgment with respect to matters of significance, may qualify under the administrative exemption. Whether or not an individual qualifies under an exemption is not decided based on one's job title but rather on the employee's actual job duties. Go to the website of the Department of Labor at *dol.gov* for more information.

Pastors, DCEs, DCOs (including interns) and vicars who meet the required salary and duties tests are not subject to overtime pay or would likely be exempt on other grounds.

Doctors, lawyers and teachers are generally exempt regardless of their pay because minimum salary requirements do not apply to them. However, to be exempt, a teacher's primary duty must be teaching, tutoring, instructing or lecturing in an educational institution. Preschool teachers whose primary duty is to care for the physical needs of children ordinarily would not meet the teacher exemption.

The ministerial exception may provide another avenue to assert that the FLSA does not apply to certain positions. Ordained ministers and most (if not all) commissioned ministers should fall within the ministerial exception. Potentially other positions, such as teachers or music directors, may also be subject to the ministerial exception. Each position and its particular duties must be reviewed before assuming the ministerial exception applies. Legal counsel should be sought to determine whether the ministerial exemption is applicable.

Any uncertainty about an individual's employment status (exempt or non-exempt) should be resolved with the assistance of legal counsel.

Finally, be aware that some states may have stricter standards with respect to these rules. Where federal and state law differs, the higher standard applies. If in doubt, contact your congregation's district office for more information or your own state's department of labor office.

7.335:

Minimum Wage

The federal minimum wage rate is currently \$7.25 per hour. Most employers (*including churches, schools, preschools and early childhood centers*) must pay their non-exempt employees at least the minimum wage.

Although the standard is fixed on an hourly basis, employers may pay workers a salary on a monthly basis, by piecework or any other basis as long as the minimum wage is met.

The minimum wage requirement is met if each workweek, the straight-time wages paid (*or accrued to be paid*)

(Go to page 7-15.)

PAYROLL AUTHORIZATION FORM

NEW EMPLOYEE ☒ REVISION ☐ REMOVAL ☐ EFFECTIVE DATE 2/1/XX
NAME Mary A. Kelly DATE OF BIRTH 6/26/45
SSN 342-02-1234 MARITAL STATUS M EXEMPTIONS FED:1 STATE: 1 LOC: 0

POSITION Secretary DATE OF HIRE _____ DATE OF CHURCH COUNCIL ACTION _____
STATUS FULL TIME ☒ PART TIME ☐ NO. OF MONTHS/YEAR 12
MINISTER OF THE GOSPEL? YES ☐ NO ☒ HOURS/WEEK 40

REMUNERATION	PER PAY PERIOD	ANNUALLY
SALARY	\$ <u>800.00</u>	\$ <u>9,600.00</u>
HOUSING ALLOWANCE	_____	_____
OTHER	_____	_____
TSA	_____	_____
TOTAL	\$ <u>800.00</u>	\$ <u>9,600.00</u>

RATE: HOURLY \$ _____ WEEKLY \$ _____ MONTHLY \$ _____

AUTO EXPENSES REIMBURSE 57.5¢ CENTS PER MILE —No— MONTHLY ALLOWANCE

DEDUCTIONS PER PAY PERIOD (YES, NO OR AMOUNT)

FEDERAL INCOME TAX ☒

TSA ☐

SOCIAL SECURITY TAX ☒

All-Cause Accident ☒

MEDICARE TAX ☒

Local Income Tax ☐

STATE INCOME TAX ☒

CONCORDIA PLANS OR OTHER HEALTH PLANS

ELIGIBLE YES ☒ NO ☐

BASIS: RETIREMENT FULL ☐ REGULAR ☒

HEALTH COVERAGE OPTION: (FILL IN) _____

SURVIVOR/DISABILITY FULL ☐ REGULAR ☒

ENROLLED IN ALL-CAUSE ACCIDENT YES ☒ NO ☐

FORMS COMPLETED

CONCORDIA PLAN SERVICES ENROLLMENT FORMS YES ☒ NO ☐

W-4 WITHHOLDING ALLOWANCE CERTIFICATES YES ☒ NO ☐

I-9 EMPLOY. ELIGIBILITY VERIFICATION YES ☒ NO ☐

NEW HIRE REPORTING YES ☒ NO ☐

STATEMENT TO EMPLOYEE THAT NO UNEMPLOYMENT INSURANCE IS AVAILABLE YES ☒ NO ☐

OTHER _____

PERMANENT MAILING ADDRESS

789 Main Street
STREET
St. Louis, MO 63xxx
CITY/STATE ZIP
(314) 826-1xxx
TELEPHONE

IN CASE OF EMERGENCY

same
STREET
same
CITY/STATE ZIP
(314) 865-02xx (work no.)
TELEPHONE

COMPLETED BY:

Eunice Kramer
SIGNED
Treasurer 2-1-XX
TITLE DATE

APPROVED BY:

William Schwartz
SIGNED
President 2-1-XX
TITLE DATE

EXHIBIT 7-E

is equal to the number of hours worked multiplied by the minimum wage rate. Wage payments in any medium other than cash are also allowed as long as its fair market value to the employee meets the minimum wage requirements.

In lieu of the minimum wage, an employer may temporarily pay an employee under age 20 a training or “opportunity” wage. This special wage cannot be less than \$4.25 per hour during the worker’s first 90 consecutive calendar days of employment. However, an employer is prohibited from hiring employees at the opportunity wage for the sole purpose of reducing the hours or employment benefits of its workforce.

Minimum wage standards do not apply to exempt employees. An exempt employee is any individual employed in an executive, administrative or professional capacity if certain income tests are met (see 7.334).

Finally, be aware that many states and cities have adopted wage standards higher than the federal minimum. If in doubt, contact your congregation’s district office for more information or your own state and local department of labor offices. A table of minimum wages by state can be found here: dol.gov/agencies/whd/minimum-wage/state.

(Go to page 7-17.)

FIRST LUTHERAN CHURCH 2743 Concordia Drive, St. Louis, Missouri 63122				0349	
Date	Invoice Number and Description	Account No.	√	Amount	
12/31/xx	December 19xx Payroll	Current			
		Amount	YTD		
	Gross Salary	\$800.00	\$9,600.00	2015	\$701.17
	Christmas Bonus	\$50.00	50.00	2021	
	Less: Federal W/H	(60.00)	(720.00)	2022	
	Social Sec W/H	(52.70)	(598.30)	2023	
	Medicare W/H	(12.33)	(139.93)	2024	
	State W/H	(21.00)	(252.00)		
	Other	(2.80)	(33.60)		
	Net Pay	\$701.17	\$7,906.17		

ATTACHED IS OUR CHECK IN PAYMENT OF THE ITEMS SHOWN ABOVE.

FIRST LUTHERAN CHURCH

2743 Concordia Drive, St. Louis, Missouri 63122

NO. 0349

FIRST NATIONAL BANK OF ST. LOUIS, MISSOURI 24-12/1230

PLEASE DETACH BEFORE DEPOSITING

December 31 20 xx

VOID AFTER 90 DAYS

THE SUM OF \$701 dollars 17 cents

DOLLARS \$ \$701.17

TO THE ORDER OF

MARY KELLY

FIRST LUTHERAN CHURCH

1A 05170511C
A 123000123A 104
000011
611

EXHIBIT 7-F

CONGREGATIONAL PAYROLL INFORMATION

POSITION NAME	PAYROLL PERIOD	PER PAY PERIOD					MARITAL STATUS	NO. OF EXEMP.	PER PAY PERIOD					NET PAY
		Gross Salary	Housing Allowance	Net Salary	Other	TSA			Federal WIH	State WIH	(6.20%) FICA	(1.45) Medicare	Other	
Pastor/Schmidt	monthly	2,350.00	800.00	1,550.00	196.76*	100.00	M	3	-0-	-0-	-0-	-0-	2.80	2247.20
Secretary/ Mary Kelly	Group term life insurance													196.76
" "	monthly	800.00		800.00			M**	1	60.00	21.00	49.60	11.60	2.80	655.00
" "	X-mas bonus				50.00*						3.10	.73		46.17
Janitor/ Harry Plumber	monthly	250.00		250.00			M	2	-0-	-0-	15.50	3.63	3.50	227.37
Organist/ Ann Rodgers	monthly	300.00		300.00			S	1	-0-	-0-	18.60	4.35	2.80	274.25
Teacher***														
Irene Braun	monthly	1600.00	525.00	1075.00			S	2	310.80	19.00	-0-	-0-	3.50	1266.70
*only included in month paid.														
** married, but withholding at the higher single rate.														
*** Commissioned minister with voluntary withholding for tax & social security, all paid as federal w/h.														
Monthly Totals		5,300.00	1,325.00	3,975.00	246.76	100.00			370.80	40.00	86.80	20.31	15.40	4913.45
Quarterly Totals		15,900.00	3,975.00	11,925.00	246.76	300.00			1112.40	120.00	254.20	59.47	46.20	14254.19
Annual Totals		63,600.00	15,900.00	47,700.00	246.76	1,200.00			4449.60	480.00	1007.50	235.69	184.80	56289.17

EXHIBIT 7-G

7.336:

Labor Law Posters

The Department of Labor (DOL) requires that certain notices be posted in the workplace. Posting requirements vary by statute; that is, not all employers are covered by each of DOL's statutes and thus may not be required to post a specific notice. For example, every employer of employees subject to the Fair Labor Standards Act's (FLSA) minimum wage law and OSHA provisions must post, and keep posted, notices explaining these Acts in a conspicuous place in all of their establishments so as to permit employees to readily read it; but if the employer is considered a small business, it may not be covered by the Family and Medical Leave Act and thus would not be subject to posting notices related to those statutes. Your posted notice, if any, may be modified to explain that the FLSA minimum wage and overtime pay requirements do not apply to ministers.

Another poster required to hang in a prominent location for employees to read is one explaining that it is generally unlawful for an employer to require its employees or job applicant to take a polygraph test.

A notice that employment discrimination is prohibited must also be displayed. However, it may be modified appropriately to explain specific exemptions to allow religious employers to discriminate in employment decisions on the basis of religion.

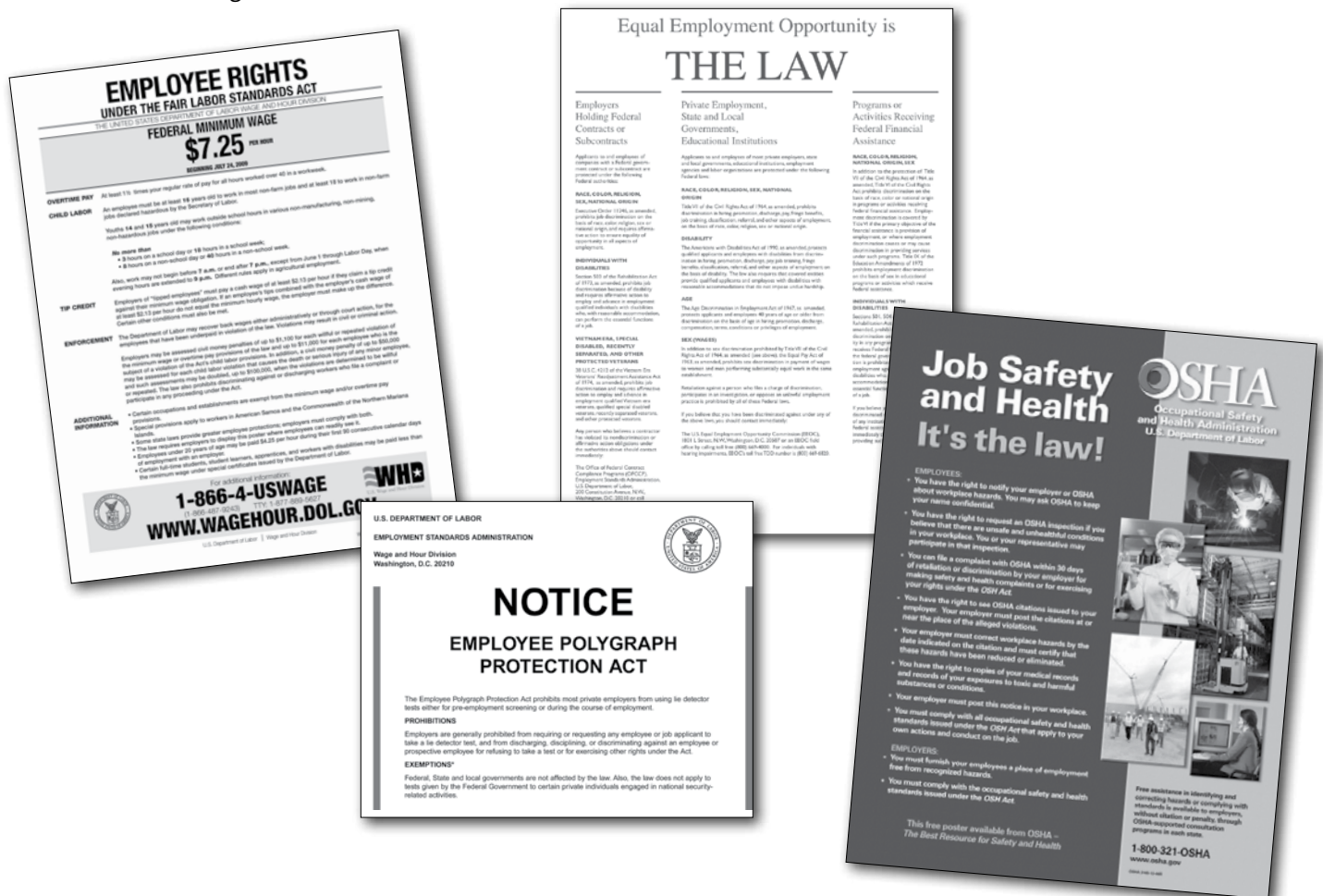
This link webapps.dol.gov/elaws/posters.htm to the Department of Labor website (dol.gov) provides a survey where you answer questions regarding your church or organization and produces a list of which posters you need to post in your building based on the state your ministry is located as well as links to the posters for you to print for free.

For the number of the Wage and Hour Office closest to you, call the Wage-Hour toll-free help line at 1-866-4USWAGE (866-487-9243). A customer service representative is available from 8 a.m. to 8 p.m. in your time zone, with referral information.

7.337:

Notice Regarding the Rights of Employees Serving in the Armed Forces

A provision that expands the rights and benefits of veterans is one that requires employers to post a notice of affected employees' rights and obligations under the Uniformed Services Employment and Reemployment Rights Act of 1994. The law specifies that this notice requirement may be satisfied by posting a notice where other required notices for employees are customarily posted. To secure a copy of the notice from the website of the Department of Labor, go to dol.gov.



7.343:**Social Security/Medicare Tax Rates
for Employees/Employers**

Year	Employee Rate	Employer Rate	Total	Wage Base
2023 (S.S.) *	6.20%	6.20%	12.4%	Wages up to \$160,200
2024 (S.S.) *	6.20%	6.20%	12.4%	\$168,600
2023/2024 (Med.)	1.45%	1.45%	2.9%	No wage base limit
Additional (Med.)	.9%	1.45%	2.35%	Wages above \$200,000 for single and joint filers
* Refer to IRS Publication 15, “Circular E, Employer’s Tax Guide,” (irs.gov/publication/p15) for the current rates and wage base as those shown are only estimates.				

7.344:**Withholding Taxes on
Deceased Worker’s Paycheck**

A deceased worker’s wages paid to the beneficiary or estate in the same calendar year as the worker’s death are subject to FICA tax withholding, but not income tax withholding. However, wages are subject to neither FICA tax withholding nor income tax withholding if paid in a subsequent year. For more detailed information about how to report these payments to the IRS, refer to the IRS Instructions for Forms W-2 and 1099-MISC. Wages paid after the year of death are not subject to tax withholding and should be reported only in Box 3 (Other) of Form 1099-MISC in the name of the beneficiary of the payment. The recipient of a deceased worker’s net paycheck generally incurs a federal income tax liability based on the gross amount of wages paid (before social security/ Medicare taxes withheld, if any). If he or she does not provide a TIN (SSN if payable to a beneficiary; EIN if to an estate) for reporting purposes, the general backup withholding rules described later in Sec. 7.464 applies to this gross paid amount.

7.345:**Depositing Payroll Taxes**

All deposits of income, social security and Medicare taxes withheld and the employer’s portion of social security and Medicare tax, must be made electronically under the Electronic Federal Tax Payment System (“EFTPS”) or in some cases mailed with your payroll tax liability report.

The frequency of the deposits depends on the amount of taxes the congregation owes for its payroll period. Use the following schedule to determine the deposit due date. It is critical to deposit the taxes by the due date to avoid severe penalties.

Summary of Deposit Rules for Social Security and Medicare Taxes and Withheld Income Tax (for calendar year 2022)

Monthly Deposit Rule

If the total tax reported on Form 941 (or 941-E) for the third and fourth quarters of 2024 and the first and second quarters of 2022 is \$50,000 or less:

Then, you are a monthly depositor for the current year (2023). You must deposit employment taxes and taxes withheld on payments made during a calendar month by the 15th day of the following month.

Semi-Weekly Deposit Rule

If the total tax reported on Form 941 (or 941-E) for the third and fourth quarters of 2024 and the first and second quarters of 2022 is more than \$50,000:

Then, you are a semi-weekly depositor for the current year (2023). If you are a semi-weekly depositor, you must deposit on Wednesday and/or Friday depending on what day of the week you make payments as shown below:

Payment Days/Deposit Periods:

Wednesday, Thursday and/or Friday

Deposit by—Following Wednesday

Payment Days/Deposit Periods:

Saturday, Sunday, Monday and/or Tuesday

Deposit by—Following Friday

Attach Schedule B to Form 941. [Exhibit 7-J(2) pp. 7-22]

See your current IRS Publication 15, “Circular E, Employer’s Tax Guide,” for a complete description of the deposit rules.

7.346: Methods for Depositing Payroll Taxes

Electronic Federal Tax Payment System

All employers are required to make their federal tax deposits by Electronic Funds Transfer (EFT) using the Electronic Federal Tax Payments System (EFTPS) which is a free service provided by the Department of Treasury. For more information regarding EFTPS and to enroll, please visit [EFTPS.gov](https://eftps.gov) or call 800-555-4477. Any business, regardless of its size, must deposit its payroll taxes by this method unless the exception applies to paying with the tax return. Payroll taxes include withheld FICA and income taxes, as well as the employer’s share of FICA taxes. The IRS can impose a 10 percent penalty on businesses failing to deposit electronically when required.

Form 941

Employers whose quarterly payroll tax liability will not accumulate to \$2,500, may pay the full amount to IRS directly when filing a timely Form 941. Payment, Form 941-V Payment Voucher, and tax return should be mailed together.

Employers also may pay the IRS directly when filing a timely Form 941 if their previous quarter’s tax liability was less than \$2,500 and whose current liability is less than \$100,000.

Form 944

Some employers have been notified by the IRS to file a Form 944, reporting their payroll tax liability on an annual basis. The amount of annual tax liability (\$1,000 or less) that makes an employer eligible for annual filing must not

be confused with the \$2,500 threshold at which federal tax deposits must be made. See Sec. 7.348 for the eligibility rules to file annually. Most 944 filer’s liability for social security, Medicare and withheld federal income taxes is less than \$1,000 for the year. They can pay the taxes with the timely filing of their return. They do not have to deposit the taxes; however, may choose to do so. Refer to Instructions for Form 944 if the payroll tax liability reaches or exceeds \$2,500. It may be required in that case to deposit the taxes sooner than the due date of the tax return.

The look-back period (see 7.345) for previous 941 filers is the second preceding year for either of the two previous calendar years, not just the one previous year. Example: If filed Form 941 in 2019 but not 2020, the look-back for 2021 would be calendar year 2019.

7.347: Quarterly Reporting of Payroll Taxes

By the last day of the month following the end of each calendar quarter, Form 941, “Employer’s Quarterly Federal Tax Return” (Exhibit 7-J) must be filed. A filer may complete and mail-in the Form 941 or choose various paperless options for filing. If all taxes have already been deposited on-time and no taxes are due, you have 10 more days in which to file the form. Closely follow the instructions accompanying the form.

Note: If a minister is the only employee and there is no voluntary withholding, Form 941 is not required. However, mark “941” kind of payer when filing the Form W-3 regardless of this condition.

FORM 941, EMPLOYER'S QUARTERLY FEDERAL TAX RETURN

Line 2 The wages paid this quarter to the employees:

John Schmidt (Minister)	
Salary: \$4,650 (exclusive of housing allowance)	
less \$300 for TSA	
plus group term life insurance in excess of \$50,000: \$196.76	\$4,546.76
Mary Kelly	
Salary: \$2,400 plus Christmas gift of \$50	2,450.00
Harry Plumber	
Salary	750.00
Ann Rogers	
Salary	900.00
Irene Braun (Commissioned Minister)	
Salary: \$3,225 (exclusive of housing allowance)	<u>3,225.00</u>
	<u>\$11,871.76</u>

Line 3 This is the amount of federal income tax withheld from the three non-minister workers for October, November, and December; and the amount of federal income and self-employment taxes (SECA) withheld from the teacher during the same payroll period under the voluntary withholding plan.

Line 5a and 5c

The wages paid this quarter to social security and Medicare tax of all non-minister workers.

Kelly	\$2,450.00
Plumber	750.00
Rogers	<u>900.00</u>
	<u>\$4,100.00</u>

The total social security and Medicare tax should be the total amount withheld from the non-minister workers for October, November, and December plus the church's share of the tax.

Line 15 This congregation would follow the "Monthly Depositor Rule." Deposits would have been made on or before November 15, December 15 and January 15.

941 for 2024: Employer's QUARTERLY Federal Tax Return

Department of the Treasury — Internal Revenue Service

950124

OMB No. 1545-0029

Employer identification number (EIN)

4 3 - 8 9 1 2 0 5 5

Name (not your trade name)

FIRST LUTHERAN CHURCH

Trade name (if any)

Address

2743 CONCORDIA DRIVE

Number

Street

Suite or room number

ST. LOUIS

City

MO

State

63122

ZIP code

Foreign country name

Foreign province/county

Foreign postal code

Report for this Quarter of 2024
(Check one.)☐ 1: January, February, March☐ 2: April, May, June☐ 3: July, August, September☒ 4: October, November, DecemberGo to www.irs.gov/Form941 for instructions and the latest information.

Read the separate instructions before you complete Form 941. Type or print within the boxes.

Part 1: Answer these questions for this quarter. Employers in American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, and Puerto Rico can skip lines 2 and 3, unless you have employees who are subject to U.S. income tax withholding. 5**1** Number of employees who received wages, tips, or other compensation for the pay period including: *Mar. 12* (Quarter 1), *June 12* (Quarter 2), *Sept. 12* (Quarter 3), or *Dec. 12* (Quarter 4)**1****2** Wages, tips, and other compensation**2**

11871.76

3 Federal income tax withheld from wages, tips, and other compensation**3**

1112.40

4 If no wages, tips, and other compensation are subject to social security or Medicare tax☐ Check here and go to line 6.

Column 1

Column 2

5a Taxable social security wages

4100.00

× 0.124 =

508.40

5b Taxable social security tips

.

× 0.124 =

.

5c Taxable Medicare wages & tips

4100.00

× 0.029 =

254.20

5d Taxable wages & tips subject to
Additional Medicare Tax withholding

.

× 0.009 =

.

5e Total social security and Medicare taxes. Add Column 2 from lines 5a, 5b, 5c, and 5d**5e**

.

5f Section 3121(q) Notice and Demand—Tax due on unreported tips (see instructions)**5f**

762.60

6 Total taxes before adjustments. Add lines 3, 5e, and 5f**6**

.

7 Current quarter's adjustment for fractions of cents**7**

1875.00

8 Current quarter's adjustment for sick pay**8**

.04

9 Current quarter's adjustments for tips and group-term life insurance**9**

.

10 Total taxes after adjustments. Combine lines 6 through 9**10**

1875.04

11 Qualified small business payroll tax credit for increasing research activities. Attach Form 8974**11**

.

12 Total taxes after adjustments and nonrefundable credits. Subtract line 11 from line 10**12**

1875.04

13 Total deposits for this quarter, including overpayment applied from a prior quarter and overpayments applied from Form 941-X, 941-X (PR), or 944-X filed in the current quarter**13**

1875.04

14 Balance due. If line 12 is more than line 13, enter the difference and see instructions**14**

0.00

15 Overpayment. If line 13 is more than line 12, enter the difference

.

Check one:

☐ Apply to next return.☐ Send a refund.**You MUST complete both pages of Form 941 and SIGN it.**

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 17001Z

Form **941** (Rev. 3-2024)**EXHIBIT 7-J (1A)**

Name (not your trade name)

FIRST LUTHERAN CHURCH

Employer identification number (EIN)

43-8912055

Part 3: Tell us about your business. If a question does NOT apply to your business, leave it blank.

17 If your business has closed or you stopped paying wages ☐ Check here, and enter the final date you paid wages / / ; also attach a statement to your return. See instructions.

18 If you're a seasonal employer and you don't have to file a return for every quarter of the year . . . ☐ Check here.

19 Qualified health plan expenses allocable to qualified sick leave wages for leave taken before April 1, 2021 **19** .

20 Qualified health plan expenses allocable to qualified family leave wages for leave taken before April 1, 2021 **20** .

21 Reserved for future use **21** .

22 Reserved for future use **22** .

23 Qualified sick leave wages for leave taken after March 31, 2021, and before October 1, 2021 **23** .

24 Qualified health plan expenses allocable to qualified sick leave wages reported on line 23 **24** .

25 Amounts under certain collectively bargained agreements allocable to qualified sick leave wages reported on line 23 **25** .

26 Qualified family leave wages for leave taken after March 31, 2021, and before October 1, 2021 **26** .

27 Qualified health plan expenses allocable to qualified family leave wages reported on line 26 **27** .

28 Amounts under certain collectively bargained agreements allocable to qualified family leave wages reported on line 26 **28** .

Part 4: May we speak with your third-party designee?

Do you want to allow an employee, a paid tax preparer, or another person to discuss this return with the IRS? See the instructions for details.

☐ Yes. Designee's name and phone number

Select a 5-digit personal identification number (PIN) to use when talking to the IRS.

☐ No.

Part 5: Sign here. You MUST complete all three pages of Form 941 and SIGN it.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.



Sign your name here

Eunice Kramer

Print your name here

EUNICE KRAMER

Print your title here

TREASURER

Date 1 / 27 / XX

Best daytime phone 314-996-XXXX

Paid Preparer Use Only

Check if you're self-employed . . . ☐

Preparer's name

PTIN

Preparer's signature

Date / /

Firm's name (or yours if self-employed)

EIN

Address

Phone

City State

ZIP code

7.348:

Annual Reporting of Payroll Taxes

Form 944, Employer's Annual Federal Tax Return, is designed so the smallest employers (those whose annual liability for social security, Medicare and withheld federal income taxes is \$1,000 or less) will file and pay these taxes only once a year instead of every quarter.

Based on current tax rates, if you pay \$5,000 or less in wages subject to social security and Medicare taxes and federal income tax withholding, you are likely to pay \$1,000 or less in employment taxes.

Currently, the IRS notifies employers selected to file a Form 944. If you believe you are eligible to report your tax liability on Form 944 but were not notified, call the IRS at 1-800-829-4933. You may express your desire to file Form 944 if you estimate that your annual employment tax liability will not exceed \$1,000.

The Form 944 must be filed by the last day of the month following the end of the calendar year (January 31). If you have already made deposits in full payment of your taxes by this date, you have 10 more calendar days in which to file your return.

After you file your first Form 944, you must file Form 944 for every year after that or until the IRS notifies you to file Form 941.

The program is entirely voluntary, enabling employers who have been notified by the IRS to file a Form 944 to opt out from doing so; and, enabling employers who believe they are eligible to file a Form 944 to elect to do so. Instructions to Form 944 details how either is to be done.

7.350:

Form W-2, Wage and Tax Statement

By January 31, each employee must be mailed Form W-2, "Wage and Tax Statement" [Exhibits 7-K(1), 7-K(2), and 7-K(3)] for the previous calendar year. Employers may instead furnish its employees with electronic Form W-2s if the employees have consented to this option (for details see IRS Publication 15-A).

The minister's Form W-2 should not report any social security or Medicare wages or taxes withheld. However, if a minister elects voluntary withholding, the total federal income and self-employment tax liability withheld is to be reported as federal income tax withheld [see 1.350 and Exhibit 7-K(3)].

An employer may visit the SSA's Business Services Online (BSO) website at ssa.gov/bso/bsowelcome.htm, complete up to 50 Forms W-2 per W-3 right on the computer, electronically submit them to the SSA and print copies suitable for distribution to its employees — a completely "paperless" process of filing. There is no limit on the number of Forms W-3 an employer can submit even for the same Employer Identification Number (EIN). (Note: Advance registration is required for online wage reporting.) Alternatively, Forms W-2 and W-3 can be obtained for free from IRS by visiting irs.gov/businesses/online-ordering-for-information-returns-and-employer-returns, suitable for filing with the SSA and distributing to employees. Any software used to produce and complete Forms W-2, must conform to the specifications and standards in the latest IRS Publication 1141. If any organization has more than 250 Form W-2s, paper copies may be distributed to the employees but the reportable information must be submitted to the SSA electronically.

FORM W-2, "WAGE AND TAX STATEMENT"
— for the lay employee [Exhibit 7-K(1)]

Boxes 1, 2, 3, 4, 5, 6, 16, 17

Include the appropriate information from the worker's "individual payroll record" totals.

Boxes 12 a-d

Leave blank since no applicable payments were made. See form's instructions.

Box 13 Check "Retirement plan" as the worker is a full-time employee and is included in the Concordia Retirement Plan.

Box 15 Include the two-letter code for your state and your Employer's State Identification Number.

22222		a Employee's social security number 342-00-1234		OMB No. 1545-0008	
b Employer identification number (EIN) 43-8912055			1 Wages, tips, other compensation 9650.00		2 Federal income tax withheld 720.00
c Employer's name, address, and ZIP code FIRST LUTHERAN CHURCH 2743 CONCORDIA DRIVE ST LOUIS MO 63122			3 Social security wages 9650.00		4 Social security tax withheld 598.30
			5 Medicare wages and tips 9650.00		6 Medicare tax withheld 139.93
			7 Social security tips		8 Allocated tips
d Control number			9		10 Dependent care benefits
e Employee's first name and initial MARY A. 789 MAIN STREET ST LOUIS MO 63122 Last name KELLY Suff.			11 Nonqualified plans		12a
			13 Statutory employee <input type="checkbox"/> Retirement plan <input checked="" type="checkbox"/> Third-party sick pay <input type="checkbox"/>		12b
			14 Other		12c
					12d
f Employee's address and ZIP code					
15 State MO	Employer's state ID number 800-0484-6	16 State wages, tips, etc. 9650.00	17 State income tax 252.00	18 Local wages, tips, etc.	19 Local income tax
					20 Locality name

Form **W-2** Wage and Tax Statement **2023** Department of the Treasury—Internal Revenue Service
 Copy 1—For State, City, or Local Tax Department

EXHIBIT 7-K(1)

7.350: Form W-2, Wage and Tax Statement (continued)

FORM W-2, "WAGE AND TAX STATEMENT"

—for the minister of the Gospel (no withholding) [Exhibit 7-K(2)]

Box 1 Salary (\$1,550/mo x 12) \$18,600.00
 Less: TSA (\$100/mo x 12) (1,200.00)
 Add: Group term life insurance 196.76
 Total wages \$17,596.76

Do not include the housing allowance in this box.

If the minister of the Gospel received cash allowances for auto expenses, include this amount in Box 1.

You may give the employee more than one Form W-2. For example, if you have completed the Form W-2s with the usual payroll items, and then you receive the group term life insurance information, you may prepare a second Form W-2 rather than amend the first. See 1.305 for a list of the items to be included in Box 1.

Boxes 2, 3, 4, 5, 6

No dollar amount should ever be included.

Box 12 a-d

Include the applicable payments made by Code:

- C- Group-term life insurance over \$50,000
- E- Elective deferrals to a section 403(b) salary reduction agreement (Tax-Sheltered Annuity)
- L- Substantiated Employee Business Expense (Federal rate)(Required if NOT substantiated)
- P- Qualified moving expenses

R- Employer contributions to your medical savings account

T- Adoption benefits

W- Employee contributions to a Health Savings Account (HSA) under a Cafeteria Plan or Employer Contributions to an HSA.

BB- Roth contributions under a section 403(b) plan.

Box 13 Check "Retirement plan" since the worker is enrolled in the Concordia Retirement Plan.

Box 14 Suggest writing "Minister of the Gospel" in this box and "Housing Allow. not incl. in Box 1: \$xxxx."
 If space doesn't permit it, report housing allowance payments on a separate statement.

Box 15 Include the two-letter code for your state and your Employer's State Identification Number.

Box 16 Include the wages from Box 1.

Box 17 Include the state taxes withheld if your state requires the church to withhold state income tax from the minister's wages.

Boxes 18-20

Complete these boxes if your county, city, or other municipality requires the church to withhold a local tax.

22222		a Employee's social security number 542-39-8756		OMB No. 1545-0008			
b Employer identification number (EIN) 43-8912055				1 Wages, tips, other compensation 17596.76		2 Federal income tax withheld	
c Employer's name, address, and ZIP code FIRST LUTHERAN CHURCH 2743 CONCORDIA DRIVE ST LOUIS MO 63122				3 Social security wages		4 Social security tax withheld	
				5 Medicare wages and tips		6 Medicare tax withheld	
				7 Social security tips		8 Allocated tips	
d Control number				9		10 Dependent care benefits	
e Employee's first name and initial JOHN C.		Last name SCHMIDT		Suff.		11 Nonqualified plans	
123 WALNUT DRIVE ST LOUIS MO 63122				13 Statutory employee <input type="checkbox"/> Retirement plan <input checked="" type="checkbox"/> Third-party sick pay <input type="checkbox"/>		12a C 196.76	
						12b E 1200.00	
						12c W 2500.00	
						12d	
f Employee's address and ZIP code				14 Other Minister of the Gospel Housing Allow, not included in Box 1: \$9600.00			
15 State Employer's state ID number MO 800-0484-6		16 State wages, tips, etc. 17596.76		17 State income tax		18 Local wages, tips, etc.	
						19 Local income tax	
						20 Locality name	

Form W-2 Wage and Tax Statement

Copy 1—For State, City, or Local Tax Department

2023

Department of the Treasury—Internal Revenue Service

EXHIBIT 7-K(2)

7.350: Form W-2, Wage and Tax Statement (continued)

FORM W-2, "WAGE AND TAX STATEMENT"

—for the minister of the Gospel (with voluntary withholding) [Exhibit 7-K(3)]

Follow directions for "minister of the Gospel
(no withholding)"
with the following exceptions.

Box 17 Include amount withheld for state
income tax.

Box 2 Include amounts withheld for federal
income and self-employment tax.

22222		a Employee's social security number 378-38-7028		OMB No. 1545-0008			
b Employer identification number (EIN) 43-8912055			1 Wages, tips, other compensation 12900.00		2 Federal income tax withheld 3729.60		
c Employer's name, address, and ZIP code FIRST LUTHERAN CHURCH 2743 CONCORDIA DRIVE ST LOUIS MO 63122			3 Social security wages		4 Social security tax withheld		
			5 Medicare wages and tips		6 Medicare tax withheld		
			7 Social security tips		8 Allocated tips		
d Control number			9		10 Dependent care benefits		
e Employee's first name and initial IRENE M. 22 GRACELAND CT. #5 ST LOUIS MO 63122			Last name BRAUN		Suff.		11 Nonqualified plans
			13 Statutory employee <input type="checkbox"/> Retirement plan <input checked="" type="checkbox"/> Third-party sick pay <input type="checkbox"/>		12a		
			14 Other Minister of the Gospel Housing Allowance not included in Box 1: \$6300.00		12b		
					12c		
f Employee's address and ZIP code					12d		
15 State	Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name	
MO	800-0484-6	12900.00					

Form **W-2** Wage and Tax Statement **2023** Department of the Treasury—Internal Revenue Service
Copy 1—For State, City, or Local Tax Department

EXHIBIT 7-K(3)

7.351:

Cost of Health Care Coverage Reporting

Employers that provide coverage through a self-funded church health plan, such as the Concordia Health Plan (CHP), currently are exempt from the requirement to report the cost of health coverage on Form W-2. Employers that offer health plans other than the CHP may not be eligible for this exemption and should check with their health plan carrier or review IRS Notice 2012-9 to determine whether

an exemption is applicable. Other W-2 reporting obligations continue to apply. The Internal Revenue Service (IRS) notices describing this exemption suggest that the exemption may not be permanent. Concordia Plan Services will continue to monitor IRS guidance and provide information as it becomes available. The IRS has stated it will provide at least a six-month notice if the exemption is eliminated.

7.355:**Transmittal of Wage and Tax Statements to SSA**

Form W-3 summarizes the various amounts on the accumulative Forms W-2. Its purpose is to transmit Copy A of Forms W-2 to the Social Security Administration (SSA). This transmittal must be mailed by January 31 to the address found in the form's instructions. The data is shared with

the IRS to reconcile your previously filed Forms 941 [Exhibit 7-J (1)] or Form 944, if applicable. No money is sent with the Form W-3.

Electronic submission of wage and tax statements is also due by January 31.

For more information about electronic filing, go to ssa.gov/bso.

Form W-3: "TRANSMITTAL OF INCOME AND TAX STATEMENTS"**Summary of Totals:**

Worker Name	Box 1	Box 2	Box 3&5	Box 4	Box 6	Box 12	Box 16	Box 17
Schmidt	17,596.76					1,200.00	17,596.76	
Kelly	9,650.00	720.00	9,650.00	598.30	139.93		9,650.00	252.00
Plumber	3,000.00		3,000.00	186.00	43.56		3,000.00	
Rogers	3,600.00		3,600.00	223.20	52.20		3,600.00	
Braun	12,900.00	3,729.60					12,900.00	228.00
Totals	46,746.76	4,449.60	16,250.00	1,007.50	235.69	1,200.00	46,746.76	480.00

- Box 1** The salary and other compensation of all employees. This box does not include the housing allowance. The total in this box must be the total of Box 1 of all Form W-2s included. This amount must all agree with the totals on line 2, Form 941 (or 944) for all such returns filed, if any, during the year.
- Box 2** The total of all federal income tax withheld on all employees during the year. This box also includes Self-Employment tax (SECA) from "ministers of the Gospel" who elect to withhold. The total in this box must equal the total of Box 2 on all Form W-2s included with the Form W-3.
- Box 3&5** The total of all social security tax (Box 3) and Medicare tax (Box 5) of all non-minister employees. The totals in these boxes must equal the total of Box 3 and Box 5 of all Form W-2s included with the Form W-3.
- Box 4** The total of all social security tax withheld from the employees' payroll checks. This box does not include the employer's share of the social security tax. The total in this box must equal to total of Box 4 of all Form W-2s included with the Form W-3.
- Box 6** The total of all Medicare tax withheld from the employee's payroll checks. This box does not include the employer's share of the Medicare tax. The total in this box must equal the total of Box 6 of all Form W-2s included with the Form W-3.
- Box 12** The total of all deferred compensation (TSA earnings) of all eligible employees.
- Box 15** Two-letter abbreviation for name of the state being reported on Forms W-2 and employer's state assigned id number. If more than one state being reported, enter "X" and no id number.
- Box 16,17** The total state wages and taxes shown in their corresponding boxes on the Form W-2.

DO NOT STAPLE

33333		a Control number		For Official Use Only: OMB No. 1545-0008			
b Kind of Payer (Check one)		941 <input checked="" type="checkbox"/>	Military <input type="checkbox"/>	943 <input type="checkbox"/>	944 <input type="checkbox"/>	Kind of Employer (Check one)	
		CT-1 <input type="checkbox"/>	Hshld. emp. <input type="checkbox"/>	Medicare govt. emp. <input type="checkbox"/>			None apply <input type="checkbox"/>
							State/local non-501c <input type="checkbox"/>
							501c non-govt. <input checked="" type="checkbox"/>
							State/local 501c <input type="checkbox"/>
							Federal govt. <input type="checkbox"/>
							Third-party sick pay (Check if applicable) <input type="checkbox"/>
c Total number of Forms W-2 5		d Establishment number		1 Wages, tips, other compensation 46746.76		2 Federal income tax withheld 4449.60	
e Employer identification number (EIN) 43-8912055				3 Social security wages 16250.00		4 Social security tax withheld 1007.50	
f Employer's name FIRST LUTHERAN CHURCH				5 Medicare wages and tips 16250.00		6 Medicare tax withheld 235.69	
2743 CONCORDIA DRIVE ST LOUIS MO 63122				7 Social security tips		8 Allocated tips	
				9		10 Dependent care benefits	
				11 Nonqualified plans		12a Deferred compensation 1200.00	
g Employer's address and ZIP code				13 For third-party sick pay use only		12b	
h Other EIN used this year				14 Income tax withheld by payer of third-party sick pay			
15 State MO		Employer's state ID number 800-0484-6		18 Local wages, tips, etc.		19 Local income tax	
16 State wages, tips, etc. 46746.76		17 State income tax 480.00		Employer's telephone number 314 667-8215		For Official Use Only	
Employer's contact person EUNICE KRAMER				Employer's email address			
Employer's fax number							

Under penalties of perjury, I declare that I have examined this return and accompanying documents, and, to the best of my knowledge and belief, they are true, correct, and complete.

Signature:

Eunice Kramer

Title:

TREASURER

Date:

1/31/XX

Form

W-3 Transmittal of Wage and Tax Statements 2024Department of the Treasury
Internal Revenue Service

Send this entire page with the entire Copy A page of Form(s) W-2 to the Social Security Administration (SSA).

Photocopies are not acceptable. Do not send Form W-3 if you filed electronically with the SSA.

Do not send any payment (cash, checks, money orders, etc.) with Forms W-2 and W-3.

Reminder

Separate instructions. See the 2024 General Instructions for Forms W-2 and W-3 for information on completing this form. Do not file Form W-3 for Form(s) W-2 that were submitted electronically to the SSA.

Purpose of Form

Complete a Form W-3 transmittal only when filing paper Copy A of Form(s) W-2, Wage and Tax Statement. Don't file Form W-3 alone. All paper forms **must** comply with IRS standards and be machine readable. Photocopies are **not** acceptable. Use a Form W-3 even if only one paper Form W-2 is being filed. Make sure both the Form W-3 and Form(s) W-2 show the correct tax year and employer identification number (EIN). Make a copy of this form and keep it with Copy D (For Employer) of Form(s) W-2 for your records. The IRS recommends retaining copies of these forms for 4 years.

E-Filing

The SSA strongly suggests employers report Form W-3 and Forms W-2 Copy A electronically instead of on paper. The SSA provides two free e-filing options on its Business Services Online (BSO) website.

• **W-2 Online.** Use fill-in forms to create, save, print, and submit up to 50 Forms W-2 at a time to the SSA.

• **File Upload.** Upload wage files to the SSA you have created using payroll or tax software that formats the files according to the SSA's Specifications for Filing Forms W-2 Electronically (EFW2).

W-2 Online fill-in forms or file uploads will be on time if submitted by **January 31, 2025**. For more information, go to www.SSA.gov/bsa. First-time filers, select "Register"; returning filers, select "Log In."

When To File Paper Forms

Mail Form W-3 with Copy A of Form(s) W-2 by **January 31, 2025**.

Where To File Paper Forms

Send this entire page with the entire Copy A page of Form(s) W-2 to:

**Social Security Administration
Direct Operations Center
Wilkes-Barre, PA 18769-0001**

Note: If you use "Certified Mail" to file, change the ZIP code to "18769-0002." If you use an IRS-approved private delivery service, add "ATTN: W-2 Process, 1150 E. Mountain Dr." to the address and change the ZIP code to "18702-7997." See Pub. 15 (Circular E), Employer's Tax Guide, for a list of IRS-approved private delivery services.

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Cat. No. 10159Y

EXHIBIT 7-L

7.370:

Correcting Previously Filed Payroll Information Forms

Form 941-X

Form 941-X is used to correct previously filed Form 941s. Instructions for completing the form accompany it. Form 941-X should be filed immediately when the mistake is discovered.

Example: On April 5, the treasurer discovered an error in Mary Kelly's payroll record. She received a \$200 payroll check that was not recorded for the fourth quarter.

		Employer's Tax Liability	
		Fed	State
Salary	\$200.00	\$	\$
Federal Tax Withheld	-25.00	25.00	
Social Security	-12.40	24.80	
Medicare	- 2.90	5.80	
State Tax	-10.00		10.00
Net Check	\$149.70	\$55.60	\$10.00

Form 941-X must be used to correct under-reporting of social security wages and taxes due; also under-reporting of withheld federal income tax and payment of amounts due [see Exhibit 7-M(1)]. The net adjustment of \$55.60 [$\$25.00 + \$24.80 + \5.80] will be paid with the filing of Form 941-X.

Note: Exhibit 7-M does not correct Exhibit 7-J and is included here for illustrative purposes only.

Form W-2C

Form W-2C is used to correct previously filed Form W-2s. Instructions for completing this form are on the back side of the last copy. Following through the example above, we need to correct Mary Kelly's Form W-2 (see Exhibit 7-N).

Form W-3C

Form W-3C is used to transmit Form W-2Cs to the Social Security Administration.

Note, for purposes of this example, the numbers only reflect the resulting change shown in Exhibit 7-N (see Exhibit 7-O).

Employer identification number (EIN)	4	3	-	8	9	1	2	0	5	5	
Name (not your trade name)	FIRST LUTHERAN CHURCH										
Trade name (if any)											
Address	2743 CONCORDIA DRIVE										
Number	Street			Suite or room number							
ST LOUIS				MO		63122					
City	State			ZIP code							
Foreign country name	Foreign province/county			Foreign postal code							

Read the separate instructions before completing this form. Use this form to correct errors you made on Form 941 or 941-SS. Use a separate Form 941-X for each quarter that needs correction. Type or print within the boxes. You MUST complete all five pages. Don't attach this form to Form 941 or 941-SS unless you're reclassifying workers; see the instructions for line 42.

Part 1: Select **ONLY** one process. See page 6 for additional guidance, including information on how to treat employment tax credits and social security tax deferrals.

- ☒ 1. **Adjusted employment tax return.** Check this box if you underreported tax amounts. Also check this box if you overreported tax amounts and you would like to use the adjustment process to correct the errors. You must check this box if you're correcting both underreported and overreported tax amounts on this form. The amount shown on line 27, if less than zero, may only be applied as a credit to your Form 941, Form 941-SS, or Form 944 for the tax period in which you're filing this form.
- ☐ 2. **Claim.** Check this box if you overreported tax amounts only and you would like to use the claim process to ask for a refund or abatement of the amount shown on line 27. Don't check this box if you're correcting ANY underreported tax amounts on this form.

Part 2: Complete the certifications.

- ☒ 3. I certify that I've filed or will file **Forms W-2, Wage and Tax Statement, or Forms W-2c, Corrected Wage and Tax Statement, as required.**

Note: If you're correcting underreported tax amounts only, go to Part 3 on page 2 and skip lines 4 and 5. If you're correcting overreported tax amounts, for purposes of the certifications on lines 4 and 5, Medicare tax doesn't include Additional Medicare Tax. Form 941-X can't be used to correct overreported amounts of Additional Medicare Tax unless the amounts weren't withheld from employee wages or an adjustment is being made for the current year.

4. If you checked line 1 because you're adjusting overreported federal income tax, social security tax, Medicare tax, or Additional Medicare Tax, check all that apply. You must check at least one box.
I certify that:

- ☐ a. I repaid or reimbursed each affected employee for the overcollected federal income tax or Additional Medicare Tax for the current year and the overcollected social security tax and Medicare tax for current and prior years. For adjustments of employee social security tax and Medicare tax overcollected in prior years, I have a written statement from each affected employee stating that they haven't claimed (or the claim was rejected) and won't claim a refund or credit for the overcollection.
- ☐ b. The adjustments of social security tax and Medicare tax are for the employer's share only. I couldn't find the affected employees or each affected employee didn't give me a written statement that they haven't claimed (or the claim was rejected) and won't claim a refund or credit for the overcollection.
- ☐ c. The adjustment is for federal income tax, social security tax, Medicare tax, or Additional Medicare Tax that I didn't withhold from employee wages.

5. If you checked line 2 because you're claiming a refund or abatement of overreported federal income tax, social security tax, Medicare tax, or Additional Medicare Tax, check all that apply. You must check at least one box.
I certify that:

- ☐ a. I repaid or reimbursed each affected employee for the overcollected social security tax and Medicare tax. For claims of employee social security tax and Medicare tax overcollected in prior years, I have a written statement from each affected employee stating that they haven't claimed (or the claim was rejected) and won't claim a refund or credit for the overcollection.
- ☐ b. I have a written consent from each affected employee stating that I may file this claim for the employee's share of social security tax and Medicare tax. For refunds of employee social security tax and Medicare tax overcollected in prior years, I also have a written statement from each affected employee stating that they haven't claimed (or the claim was rejected) and won't claim a refund or credit for the overcollection.
- ☐ c. The claim for social security tax and Medicare tax is for the employer's share only. I couldn't find the affected employees, or each affected employee didn't give me a written consent to file a claim for the employee's share of social security tax and Medicare tax, or each affected employee didn't give me a written statement that they haven't claimed (or the claim was rejected) and won't claim a refund or credit for the overcollection.
- ☐ d. The claim is for federal income tax, social security tax, Medicare tax, or Additional Medicare Tax that I didn't withhold from employee wages.

Return You're Correcting...

Check the type of return you're correcting.

- ☒ 941
☐ 941-SS

Check the **ONE** quarter you're correcting.

- ☐ 1: January, February, March
☐ 2: April, May, June
☐ 3: July, August, September
☒ 4: October, November, December

Enter the calendar year of the quarter you're correcting.

20XX (YYYY)

Enter the date you discovered errors.

04 / 05 / 20XX
(MM / DD / YYYY)

EXHIBIT 7-M(1)

Name (not your trade name) <div style="text-align: center; font-weight: bold;">FIRST LUTHERAN CHURCH</div>	Employer identification number (EIN) <div style="text-align: center; font-weight: bold;">43-8912055</div>	Correcting quarter 4 (1, 2, 3, 4) Correcting calendar year (YYYY) <div style="text-align: center; font-weight: bold;">20XX</div>
--	---	--

Part 3: Enter the corrections for this quarter. If any line doesn't apply, leave it blank.

	Column 1 <small>Total corrected amount (for ALL employees)</small>	–	Column 2 <small>Amount originally reported or as previously corrected (for ALL employees)</small>	=	Column 3 <small>Difference (If this amount is a negative number, use a minus sign.)</small>		Column 4 <small>Tax correction</small>
6. Wages, tips, and other compensation (Form 941, line 2)	12,071.76	–	11,871.76	=	200.00	Use the amount in Column 1 when you prepare your Forms W-2 or Forms W-2c.	
7. Federal income tax withheld from wages, tips, and other compensation (Form 941, line 3)	1,137.40	–	1,112.40	=	25.00	Copy Column 3 here . . .	25.00
8. Taxable social security wages (Form 941 or 941-SS, line 5a, Column 1)	4,300.00	–	4,100.00	=	200.00	× 0.124* =	24.80
* If you're correcting your employer share only, use 0.062. See instructions.							
9. Qualified sick leave wages* (Form 941 or 941-SS, line 5a(i), Column 1)	.	–	.	=	.	× 0.062 =	.
* Use line 9 only for qualified sick leave wages paid after March 31, 2020, for leave taken before April 1, 2021.							
10. Qualified family leave wages* (Form 941 or 941-SS, line 5a(ii), Column 1)	4,300.00	–	4,100.00	=	200.00	× 0.062 =	24.80
* Use line 10 only for qualified family leave wages paid after March 31, 2020, for leave taken before April 1, 2021.							
11. Taxable social security tips (Form 941 or 941-SS, line 5b, Column 1)	.	–	.	=	.	× 0.124* =	.
* If you're correcting your employer share only, use 0.062. See instructions.							
12. Taxable Medicare wages & tips (Form 941 or 941-SS, line 5c, Column 1)	.	–	.	=	.	× 0.029* =	.
* If you're correcting your employer share only, use 0.0145. See instructions.							
13. Taxable wages & tips subject to Additional Medicare Tax withholding (Form 941 or 941-SS, line 5d)	.	–	.	=	.	× 0.009* =	.
* Certain wages and tips reported in Column 3 shouldn't be multiplied by 0.009. See instructions.							
14. Section 3121(q) Notice and Demand—Tax due on unreported tips (Form 941 or 941-SS, line 5f)	.	–	.	=	.	Copy Column 3 here
15. Tax adjustments (Form 941 or 941-SS, lines 7 through 9)	.	–	.	=	.	Copy Column 3 here
16. Qualified small business payroll tax credit for increasing research activities (Form 941 or 941-SS, line 11a; you must attach Form 8974)	.	–	.	=	.	See instructions	.
17. Nonrefundable portion of credit for qualified sick and family leave wages for leave taken before April 1, 2021 (Form 941 or 941-SS, line 11b)	.	–	.	=	.	See instructions	55.60
18a. Nonrefundable portion of employee retention credit* (Form 941 or 941-SS, line 11c)	.	–	.	=	.	See instructions	.
* Use line 18a only for corrections to quarters beginning after March 31, 2020, and before January 1, 2022.							
18b. Nonrefundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021 (Form 941 or 941-SS, line 11d)	.	–	.	=	.	See instructions	.
18c. Nonrefundable portion of COBRA premium assistance credit (Form 941 or 941-SS, line 11e)	.	–	.	=	.	See instructions	55.60
18d. Number of individuals provided COBRA premium assistance (Form 941 or 941-SS, line 11f)	.	–	.	=	.		
19. Special addition to wages for federal income tax	.	–	.	=	.	See instructions	.
20. Special addition to wages for social security taxes	.	–	.	=	.	See instructions	.
21. Special addition to wages for Medicare taxes	.	–	.	=	.	See instructions	55.60

EXHIBIT 7-M(2)

Name (not your trade name) <div style="text-align: center; font-weight: bold;">FIRST LUTHERAN CHURCH</div>	Employer identification number (EIN) <div style="text-align: center; font-weight: bold;">43-8912055</div> <div style="text-align: center;">—</div>	Correcting quarter 4 (1, 2, 3, 4) Correcting calendar year (YYYY) <div style="text-align: center; font-weight: bold;">20XX</div>
--	--	--

Part 4: Explain your corrections for this quarter.

☐ **41. Check here if any corrections you entered on a line include both underreported and overreported amounts.** Explain both your underreported and overreported amounts on line 43.
☐ **42. Check here if any corrections involve reclassified workers.** Explain on line 43.
43. You must give us a detailed explanation of how you determined your corrections. See the instructions.

Clerical error, one payroll check found not recorded.

Part 5: Sign here. You must complete all five pages of this form and sign it.

Under penalties of perjury, I declare that I have filed an original Form 941 or Form 941-SS and that I have examined this adjusted return or claim, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Sign your name here

Eunice Kramer

Print your name here

EUNICE KRAMER

Print your title here

TREASURER

Date

/
/
04
05
20XX

Best daytime phone

314 667-8215

Paid Preparer Use Only

Preparer's name

Preparer's signature

Firm's name (or yours if self-employed)

Address

City

State

Check if you're self-employed ☐

PTIN

Date

/
/

EIN

Phone

ZIP code

Page **5**

Form **941-X** (Rev. 4-2023)

EXHIBIT 7-M(3)

4 4 4 4 4	For Official Use Only OMB No. 1545-0008		
a Employer's name, address, and ZIP code <div style="text-align: center;"> FIRST LUTHERAN CHURCH 2743 CONCORDIA DRIVE ST. LOUIS, MO 63122 </div>		c Tax year/Form corrected <div style="text-align: center;"> 20xx / W-2 </div>	d Employee's correct SSN <div style="text-align: center;"> 342-02-1234 </div>
		e Corrected SSN and/or name. (Check this box and complete boxes f and/or g if incorrect on form previously filed.) <input type="checkbox"/>	
		Complete boxes f and/or g only if incorrect on form previously filed :	
		f Employee's previously reported SSN	
b Employer identification number (EIN) <div style="text-align: center;"> 43-8912055 </div>		g Employee's previously reported name	
Note: Only complete money fields that are being corrected. (Exception: for corrections involving MQGE, see the General Instructions for Forms W-2 and W-3, under <i>Specific Instructions for Form W-2c</i> , boxes 5 and 6).		h Employee's first name and initial <div style="text-align: center;"> MARY </div>	Last name <div style="text-align: center;"> KELLY </div>
		Suff. 	
		<div style="text-align: center;"> 789 MAIN STREET ST. LOUIS, MO 63122 </div>	
i Employee's address and ZIP code			
Previously reported		Correct information	
1 Wages, tips, other compensation <div style="text-align: center;"> 9650.00 </div>		1 Wages, tips, other compensation <div style="text-align: center;"> 9850.00 </div>	
3 Social security wages <div style="text-align: center;"> 9650.00 </div>		3 Social security wages <div style="text-align: center;"> 9850.00 </div>	
5 Medicare wages and tips <div style="text-align: center;"> 9650.00 </div>		5 Medicare wages and tips <div style="text-align: center;"> 9850.00 </div>	
7 Social security tips		7 Social security tips	
9		9	
11 Nonqualified plans		11 Nonqualified plans	
13 Statutory employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>		13 Statutory employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>	
14 Other (see instructions)		14 Other (see instructions)	
		10 Dependent care benefits	
		10 Dependent care benefits	
		12a See instructions for box 12	
		12a See instructions for box 12	
		12b	
		12b	
		12c	
		12c	
		12d	
		12d	
State Correction Information			
Previously reported		Correct information	
15 State		15 State	
Employer's state ID number		Employer's state ID number	
16 State wages, tips, etc. <div style="text-align: center;"> 9650.00 </div>		16 State wages, tips, etc. <div style="text-align: center;"> 9850.00 </div>	
17 State income tax <div style="text-align: center;"> 252.00 </div>		17 State income tax <div style="text-align: center;"> 262.00 </div>	
Locality Correction Information			
Previously reported		Correct information	
18 Local wages, tips, etc.		18 Local wages, tips, etc.	
19 Local income tax		19 Local income tax	
20 Locality name		20 Locality name	

Copy 1 — For State, City, or Local Tax Department

Form **W-2c** (Rev. 8-2023)

Corrected Wage and Tax Statement

Department of the Treasury
Internal Revenue Service

EXHIBIT 7-N

DO NOT CUT, FOLD, OR STAPLE

55555		a Tax year/Form corrected 20XX / W- 3		For Official Use Only: OMB No. 1545-0008	
b Employer's name, address, and ZIP code FIRST LUTHERAN CHURCH 2743 CONCORDIA DRIVE ST LOUIS MO 63122		c Kind of Payer (Check one) 941/941-SS <input checked="" type="checkbox"/> Military <input type="checkbox"/> 943 <input type="checkbox"/> 944 <input type="checkbox"/> CT-1 <input type="checkbox"/> Hshld. emp. <input type="checkbox"/> Medicare govt. emp. <input type="checkbox"/>		Kind of Employer (Check one): Third-party sick pay	
				None apply <input type="checkbox"/> 501c non-govt. <input checked="" type="checkbox"/> State/local non-501c <input type="checkbox"/> State/local 501c <input type="checkbox"/> Federal govt. <input type="checkbox"/> (Check if applicable)	
d Total number of Forms W-2c 1		e Employer identification number (EIN) 43-8912055		f Establishment number	
Complete boxes h, i, or j only if incorrect on last form filed.		h Employer's originally reported EIN		i Incorrect establishment number	
g Employer's state ID number 800-0484-6		j Employer's incorrect state ID number			
Total of amounts previously reported as shown on enclosed Forms W-2c.		Total of corrected amounts as shown on enclosed Forms W-2c.		Total of amounts previously reported as shown on enclosed Forms W-2c.	
1 Wages, tips, other compensation 9650.00		1 Wages, tips, other compensation 9850.00		2 Federal income tax withheld 720.00	
3 Social security wages 9650.00		3 Social security wages 9850.00		4 Social security tax withheld 598.30	
5 Medicare wages and tips 9650.00		5 Medicare wages and tips 9850.00		6 Medicare tax withheld 139.93	
7 Social security tips		7 Social security tips		8 Allocated tips	
9		9		10 Dependent care benefits	
11 Nonqualified plans		11 Nonqualified plans		12a Deferred compensation	
14 Inc. tax w/h by third-party sick pay payer		14 Inc. tax w/h by third-party sick pay payer		12b	
16 State wages, tips, etc. 9650.00		16 State wages, tips, etc. 9850.00		17 State income tax 252.00	
18 Local wages, tips, etc.		18 Local wages, tips, etc.		19 Local income tax	
Explain decreases here:					
Has an adjustment been made on an employee's tax return filed with the Internal Revenue Service? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					
If "Yes," give date the return was filed:					
Under penalties of perjury, I declare that I have examined this return, including accompanying documents, and, to the best of my knowledge and belief, it is true, correct, and complete.					
Signature: <i>Eunice Kramer</i>		Title: Treasurer		Date: 4-10-XX	
Employer's contact person EUNICE KRAMER		Employer's telephone number 314 667-8215		For Official Use Only	
Employer's fax number KFRAMER@ABC.NET		Employer's email address 314 667-8217			

Form **W-3c** (Rev. 8-2023)**Transmittal of Corrected Wage and Tax Statements**Department of the Treasury
Internal Revenue Service**Purpose of Form**

Complete a Form W-3c transmittal only when filing paper Copy A of the most recent version of **Form(s) W-2c**, Corrected Wage and Tax Statement. Make a copy of Form W-3c and keep it with Copy D (For Employer) of Forms W-2c for your records. File Form W-3c even if only one Form W-2c is being filed or if those Forms W-2c are being filed only to correct an employee's name and social security number (SSN) or the employer identification number (EIN). See the General Instructions for Forms W-2 and W-3 for information on completing this form.

E-Filing

The SSA strongly suggests employers report Form W-3c and Forms W-2c Copy A electronically instead of on paper. The SSA provides two free e-filing options on its Business Services Online (BSO) website:

- **W-2c Online.** Use fill-in forms to create, save, print, and submit up to 25 Forms W-2c at a time to the SSA.
- **File Upload.** Upload wage files to the SSA you have created using payroll or tax software that formats the files according to the SSA's *Specifications for Filing Forms W-2c Electronically (EFW2C)*.

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Cat. No. 10164R

For more information, go to www.SSA.gov/employer. First-time filers, select "Register"; returning filers, select "Log In."

When To File

File this form and Copy A of Form(s) W-2c with the Social Security Administration as soon as possible after you discover an error on Forms W-2, W-2AS, W-2GU, W-2CM, W-2VI, or W-2c. Provide Copies B, C, and 2 of Form W-2c to your employees as soon as possible.

Where To File Paper Forms

Send this entire page with Copy A of Form W-2c to:

**Social Security Administration
Direct Operations Center
P.O. Box 3333
Wilkes-Barre, PA 18767-3333**

Note: If you use "Certified Mail" or an IRS-approved private delivery service to file, add "Attn: W-2c Process, 1150 E. Mountain Dr." to the address and change the ZIP code to "18702-7997." See Pub. 15 (Circular E), Employer's Tax Guide, for a list of IRS-approved private delivery services.

EXHIBIT 7-O

7.400: Other Information Returns

7.464:

Backup Withholding

If the congregation pays an individual or business entity for services rendered and that person is not an employee, then the congregation must determine whether to withhold taxes. In general, it must withhold 24 percent of all taxable payments made to a non-employee (except corporations, exempt organizations, or payees who have established foreign status) who does not provide a TIN for income tax reporting purposes.

Report backup withholding on Form 945, Annual Return of Withheld Federal Income Tax. For more information, including the deposit requirements for Form 945, see its instructions or IRS Publication 15 (Circular E), Employer's Tax Guide.

7.465:

Payments for Services of At Least \$600 (Form 1099-NEC and Form W-9)

If the congregation (the service recipient) pays remuneration to any person (includes honoraria) or unincorporated organization for services performed by that person of at least \$600 and that person is not an employee of the

congregation, then the congregation must file a return reporting the aggregate amount of such payments, the name and address of the recipient of the payments and the social security number. The exemption from reporting payments to corporations does not apply to payments for legal services. Payments totaling \$600 or more made to an attorney, a law firm or other provider of legal services must also be reported to the IRS. (See 7.467.)

The return to file is Form 1099-NEC (Exhibit 7-P). This form must be given to the recipient by January 31 of the following year. The congregation must report the social security number or Employer Identification Number of the individual or organization on the form.

For practical purposes, require the person to complete and return a Form W-9 before paying him or her. The form is useful for collecting in advance the personal and tax information needed later to complete the Form 1099-NEC. The Internal Revenue Service does not require the reporting of disbursements made payable to corporations on Form 1099-NEC. However, if the incorporated payee's name does not indicate its type of legal entity (i.e., a designation of Inc. or Corp.), consider requesting the corporation to complete an IRS Form W-9 (Exhibit 7-Q). This form will support why a Form 1099 was not reported by the congregation.

To avoid certain reporting penalties, Form 1099s must contain the telephone number of a person to contact concerning the information reported on the return.

<input type="checkbox"/> VOID <input type="checkbox"/> CORRECTED				
PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no. FIRST LUTHERAN CHURCH 2743 CONCORDIA DRIVE ST LOUIS MO 63122 314-667-8215		OMB No. 1545-0116 Form 1099-NEC (Rev. January 2024) For calendar year _____	Nonemployee Compensation	
PAYER'S TIN 43-8912055	RECIPIENT'S TIN 530-76-4000	1 Nonemployee compensation \$ 3800.00	Copy 1 For State Tax Department	
RECIPIENT'S name CONRAD WILSON		2 Payer made direct sales totaling \$5,000 or more of consumer products to recipient for resale <input type="checkbox"/>		
Street address (including apt. no.) 123 HIGHLAND		3 _____		
City or town, state or province, country, and ZIP or foreign postal code ST LOUIS MO 63122		4 Federal income tax withheld \$		
Account number (see instructions)		5 State tax withheld \$	6 State/Payer's state no.	7 State income \$
Form 1099-NEC (Rev. 1-2024)		www.irs.gov/Form1099NEC		Department of the Treasury - Internal Revenue Service

EXHIBIT 7-P

FORM 1099-NEC

First Lutheran Church paid Conrad Wilson \$3,800 to repair the roof at the church. Mr. Wilson is a sole proprietor, not an incorporated business. As the compensation to him for services and supplies exceeded \$600, the church must provide Mr. Wilson with a Form 1099-NEC.

7.466:**Payments to Volunteers for Travel Expenses**

There are three methods that a congregation can use to reimburse a volunteer (including director and officer) for his or her travel expenses without including the amount in his or her income. The two most commonly used methods are either payments based on the charitable standard mileage rate of 14 cents per mile, or payments for the volunteer's actual travel expenses (documented). However, the standard business mileage rate may be the basis for payments if a volunteer employee follows the same accountable plan rules otherwise required of paid employees (Treasury Regulation 1.132-5[r][1]). Refer to Chapter 6 for the details of such plans. Amounts reimbursed in excess of these limits must be reported on IRS Form 1099-NEC if their sum total paid during the year is \$600 or more.

7.467:**Payments to Attorneys**

Payments of \$600 or more made to lawyers must be reported on Form 1099-NEC. To facilitate the completion of this information return, the lawyer must promptly provide the filer with their TIN. Failing to do so, the payor must consider backup withholding on the reportable income. Payments to law firms are considered payments to lawyers, and therefore are not exempt from this reporting requirement.

Form (Rev. October 2018) Department of the Treasury Internal Revenue Service	<h2 style="margin: 0;">W-9</h2> <h3 style="margin: 0;">Request for Taxpayer Identification Number and Certification</h3> <p style="margin: 0;">▶ Go to www.irs.gov/FormW9 for instructions and the latest information.</p>	Give Form to the requester. Do not send to the IRS.																						
1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. <div style="text-align: center; font-weight: bold;">CONRAD WILSON</div>																								
2 Business name/disregarded entity name, if different from above																								
Print or type. See Specific Instructions on page 3.	3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.																							
	<input checked="" type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate																							
	<input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____ Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.																							
	<input type="checkbox"/> Other (see instructions) ▶ _____																							
4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <small>(Applies to accounts maintained outside the U.S.)</small>																								
5 Address (number, street, and apt. or suite no.) See instructions. <div style="text-align: center; font-weight: bold;">123 HIGHLAND</div>		Requester's name and address (optional)																						
6 City, state, and ZIP code <div style="text-align: center; font-weight: bold;">ST LOUIS MO 63122</div>																								
7 List account number(s) here (optional)																								
Part I Taxpayer Identification Number (TIN) Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see <i>How to get a TIN</i> , later. Note: If the account is in more than one name, see the instructions for line 1. Also see <i>What Name and Number To Give the Requester</i> for guidelines on whose number to enter.																								
Social security number <table border="1" style="width: 100%; text-align: center;"> <tr> <td style="width: 20px;">5</td> <td style="width: 20px;">3</td> <td style="width: 20px;">0</td> <td style="width: 20px;">-</td> <td style="width: 20px;">7</td> <td style="width: 20px;">6</td> <td style="width: 20px;">-</td> <td style="width: 20px;">4</td> <td style="width: 20px;">0</td> <td style="width: 20px;">0</td> <td style="width: 20px;">0</td> </tr> </table>		5	3	0	-	7	6	-	4	0	0	0	or Employer identification number <table border="1" style="width: 100%; text-align: center;"> <tr> <td style="width: 20px;"></td> <td style="width: 20px;"></td> <td style="width: 20px;"></td> <td style="width: 20px;"></td> <td style="width: 20px;"></td> <td style="width: 20px;"></td> <td style="width: 20px;"></td> <td style="width: 20px;"></td> <td style="width: 20px;"></td> <td style="width: 20px;"></td> <td style="width: 20px;"></td> </tr> </table>											
5	3	0	-	7	6	-	4	0	0	0														
Part II Certification Under penalties of perjury, I certify that:																								
1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and 2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and 3. I am a U.S. citizen or other U.S. person (defined below); and 4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.																								
Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.																								
Sign Here	Signature of U.S. person ▶ <i>Conrad Wilson</i>	Date ▶ 6-30-xx																						

EXHIBIT 7-Q

7.470:**Aid and Education Grants/Scholarship**

Student Aid Grants — Any amount given as a qualified scholarship to someone who is a candidate for a degree at a qualified educational institution should not be considered part of the recipient's gross income, and a Form 1099 should not be issued as long as the amount is for qualified tuition and related expenses such as fees, books, supplies and equipment required for instruction. Recipients of grants and scholarships should seek professional tax advice regarding their own tax and reporting requirements.

7.475:**Form 1096, Annual Summary and Transmittal of U.S. information Returns**

By January 31, the congregation must complete Form 1096, "Annual Summary and Transmittal of U.S. Information Returns," (Exhibit 7-R) and submit it and Copy A of all Form 1099-NECs to the Internal Revenue Service Center noted on Form 1096.

Do Not Staple 6969		OMB No. 1545-0108	
Form 1096 Department of the Treasury Internal Revenue Service		Annual Summary and Transmittal of U.S. Information Returns	
FILER'S name FIRST LUTHERAN CHURCH Street address (including room or suite number) 2743 CONCORDIA DRIVE City or town, state or province, country, and ZIP or foreign postal code ST LOUIS MO 63122		<div style="text-align: center;"> For Official Use Only </div>	
Name of person to contact EUNICE KRAMER		Telephone number 314 667-8215	
Email address		Fax number 314 667-8217	
1 Employer identification number 43-8912055	2 Social security number	3 Total number of forms 1	4 Federal income tax withheld \$
5 Total amount reported with this Form 1096 \$ 3800.00		6 Enter an "X" in only one box below to indicate the type of form being filed.	
W-2G 32 <input type="checkbox"/>	1097-BTC 50 <input type="checkbox"/>	1098 81 <input type="checkbox"/>	1098-C 78 <input type="checkbox"/>
1098-E 84 <input type="checkbox"/>	1098-F 03 <input type="checkbox"/>	1098-Q 74 <input type="checkbox"/>	1098-T 83 <input type="checkbox"/>
1099-A 80 <input type="checkbox"/>	1099-B 79 <input type="checkbox"/>	1099-C 85 <input type="checkbox"/>	1099-CAP 73 <input type="checkbox"/>
1099-DIV 91, 1099-G 86, 1099-INT 92, 1099-K 10			
1099-LS 16 <input type="checkbox"/>	1099-LTC 93 <input type="checkbox"/>	1099-MISC 95 <input checked="" type="checkbox"/>	1099-NEC 71 <input type="checkbox"/>
1099-OID 96 <input type="checkbox"/>	1099-PATR 97 <input type="checkbox"/>	1099-Q 31 <input type="checkbox"/>	1099-QA 1A <input type="checkbox"/>
1099-R 98 <input type="checkbox"/>	1099-S 75 <input type="checkbox"/>	1099-SA 94 <input type="checkbox"/>	1099-SB 43 <input type="checkbox"/>
3921 25 <input type="checkbox"/>	3922 26 <input type="checkbox"/>	5498 28 <input type="checkbox"/>	5498-ESA 72 <input type="checkbox"/>
5498-QA 2A <input type="checkbox"/>	5498-SA 27 <input type="checkbox"/>		
Return this entire page to the Internal Revenue Service. Photocopies are not acceptable. Send this form, with the copies of the form checked in box 6, to the IRS in a flat mailer (not folded).			
Under penalties of perjury, I declare that I have examined this return and accompanying documents and, to the best of my knowledge and belief, they are true, correct, and complete.			
Signature <i>Eunice Kramer</i>		Title Treasurer	
Date 1-31-xx			

EXHIBIT 7-R

7.600: Employer-Provided Automobile

The following sections describe the IRS-approved methods in reporting the value of the personal use of an automobile. An employer is generally free to use any of these methods for any vehicle, provided all the requirements are met for the particular method. Once the method is chosen for a specific automobile and person, this method must be consistently followed. An important resource for information about this matter is IRS Publication 15-B, Employers Tax Guide to Fringe Benefits. It should also be emphasized that the use of most of these methods require a certain amount of record keeping.

7.601

Annual Lease Valuation (ALV)

This method is the least restrictive of all methods and is an option that is available whenever any of the other methods are either not available or simply costlier to the employee. This method may NOT be used unless it was chosen when the car was first made available to the particular employee for personal use. Once this method is adopted, it must be used for all subsequent periods; except when the Commuting Valuation method is used or on the first day the auto no longer qualifies for the vehicle cents per mile rule described later. (See 7-602 and 7.605.)

The Annual Lease Value Table (7.606) is used to determine a value that is used for each year of the first four years the vehicle is used. Thereafter, the automobile may be revalued every four years, as well as whenever it will be used for a different employee. It is important that due consideration be given in determining the proper Fair Market Value (FMV) of the automobile when applying this table. The FMV of an automobile is the amount a person would pay a third party in the area in which the vehicle is purchased or leased. The employer's actual cost for either purchasing or leasing the automobile **does not** determine its FMV. The ALV method assumes maintenance and insurance are included in the ALV. The Annual Lease Value **MAY NOT** be reduced for any such services not provided by the employer. The ALV method **DOES NOT** include the value of employer-provided fuel. If provided, it must be included **in addition to** the ALV either in an amount equal to the FMV of the fuel, or at a rate of 5.5 cents per mile. A car's fair market value does not include the FMV of any telephone, fax, or specialized equipment added to or carried in the car if the presence of that equipment is required by and attributable to the business needs of the employer. To figure the annual lease value of an automobile to use under the ALV method, one of the following "safe harbor" values can be used.

- 1) When the automobile is bought in an arm's-length purchase by the employer, the fair market value is the cost, including sales tax, title fees and other purchase expenses.
- 2) When leased, it's

- (a) the suggested retail price less 8 percent,
- (b) the retail value as reported in a nationally recognized publication, or
- (c) the manufacturer's invoice price plus 4 percent

A copy of the ALV table is provided in paragraph 7.606. You simply find the dollar range in column (1) of the table the amount corresponding to the FMV of the automobile. The corresponding amount in column (2) is the auto's annual lease value. Finally, multiply the corresponding value by the percent of personal use. The resulting amount should be included in the employee's taxable wages.

If the fuel cost for personal use is reimbursed by or charged to the employer, the additional inclusion is the amount reimbursed or charged. Any other services provided by the employer must be added to the ALV in determining the FMV of the benefit provided.

7.602

Vehicle Cents Per Mile

To qualify for the Vehicle Cents Per Mile method, 1) the fair market value of an automobile including a truck or van when first provided to the employee (for 2024) must not exceed \$62,000, **AND** 2) it must have been regularly used throughout the year **OR** it must satisfy the mileage rule. The benefit provided to the employee is valued by using the standard mileage rate multiplied by the total miles driven by the employee for personal use.

In order to use this method, one of the following two criteria must be met:

Whether or not a vehicle is regularly used in an employer's trade or business is determined based on all the facts and circumstances. A vehicle is considered to be regularly used in a trade or business if it meets **ONE** of the following conditions:

1. At least 50 percent of the vehicle's total annual mileage is for that trade or business, **OR**
2. The vehicle is generally used each workday to drive at least three employees to and from work in an employer-sponsored commuting pool.

The standard mileage rate is applied only to the personal miles. Business miles are disregarded. Personal use is any use of the automobile other than use in the employee's trade or business.

An automobile satisfies the mileage rule for a calendar year if:

1. It is actually driven at least 10,000 miles in that year, **AND**
2. It is used during the year primarily by employees.

The vehicle is considered used primarily by employees if they use it consistently for commuting. For example, if only one employee uses an automobile during the year and that employee drives the vehicle at least 10,000 miles in that calendar year, the vehicle meets the mileage rule even if all miles driven are personal. Use of the vehicle by an individual (*other than the employee*) whose use would

be taxed to the employee **IS NOT** considered used by the employee. If the employee owns or leases the vehicle only part of the year, the 10,000-mile requirement is reduced proportionately.

Maintenance and insurance are included in the standard mileage rate. No reduction is allowed, however, if an employer does not provide these services. The rate also includes the FMV of employer-provided fuel. If fuel is not provided by the employer, the rate **MAY BE REDUCED** by up to 5.5 cents.

7.603

Prorated Annual Lease Value

When the amount of time the vehicle is available is **at least** 30 days but less than a year, then the value to use is a prorated ALV. This is calculated by multiplying the applicable ALV by a fraction, the numerator of which is the number of days of availability and the denominator is 365.

7.604

Daily Lease Valuation

This method is available only for those instances in which the use is less than 30 days. This method is calculated by multiplying the applicable ALV by a fraction, the numerator of which is four times the number of days of availability and the denominator is 365. An election may also be made to treat the period of availability as if it had been 30 days (*and not multiply it by four*), if doing so would result in a lower valuation than the Daily Lease Value.

7.605

Commuting Valuation Method

This is a special valuation rule whereby only the value of the commuting is treated as income to the employee. This method is only available when **ALL** of the following criteria are met:

- 1) The vehicle is owned or leased by the employer and is provided to one or more employees for use in connection with the employer's business and is used as such.
- 2) The employer requires the employee to commute to and/or from work in this vehicle for bona fide noncompensatory business reasons.
- 3) The employer establishes a written policy stating that such vehicles cannot be used for personal use either by the employee or any other individual whose use would be taxable to the employee.
- 4) Except for de minimis personal use, the employee does not use the vehicle for any other personal use than commuting.
- 5) The employer may not provide such vehicle to an employee in 2022 earning \$130,000 or more annually in 2021. (See IRS Pub. 15-B.)

Under this method, the value assigned to commuting is \$1.50 per one-way trip. Thus, the amount includable for a round-trip would be \$3.00 per employee. This applies to

each employee using the vehicle when it is used for carrying more than one employee.

7.606

Annual Lease Value Table

Automobile Fair Market Value (1)	Annual Lease Value (2)
0 to 999	600
1,000 to 1,999	850
2,000 to 2,999	1,100
3,000 to 3,999	1,350
4,000 to 4,999	1,600
5,000 to 5,999	1,850
6,000 to 6,999	2,100
7,000 to 7,999	2,350
8,000 to 8,999	2,600
9,000 to 9,999	2,850
10,000 to 10,999	3,100
11,000 to 11,999	3,350
12,000 to 12,999	3,600
13,000 to 13,999	3,850
14,000 to 14,999	4,100
15,000 to 15,999	4,350
16,000 to 16,999	4,600
17,000 to 17,999	4,850
18,000 to 18,999	5,100
19,000 to 19,999	5,350
20,000 to 20,999	5,600
21,000 to 21,999	5,850
22,000 to 22,999	6,100
23,000 to 23,999	6,350
24,000 to 24,999	6,600
25,000 to 25,999	6,850
26,000 to 27,999	7,250
28,000 to 29,999	7,750
30,000 to 31,999	8,250
32,000 to 33,999	8,750
34,000 to 35,999	9,250
36,000 to 37,999	9,750
38,000 to 39,999	10,250
40,000 to 41,999	10,750
42,000 to 43,999	11,250
44,000 to 45,999	11,750
46,000 to 47,999	12,250
48,000 to 49,999	12,750
50,000 to 51,999	13,250
52,000 to 53,999	13,750
54,000 to 55,999	14,250
56,000 to 57,999	14,750
58,000 to 59,999	15,250

For vehicles having a fair market value in excess of \$59,999, the Annual Lease Value is equal to: $(.25 \times \text{the fair market value of the automobile}) + \500 .