

THE NECESSITY OF TITHE ENVELOPES

Tithe envelopes are a protection to churches and donors in an IRS audit. Cancelled checks do not suffice. Proving that a check issued to a church was intended for and received as a tithe or offering, without a tithe envelope, is nearly impossible.

CHURCH LAW

One way for a church to handle this is to announce that if money is not received in a tithe envelope, the donor will not be given a receipt. However, this is not practical and is difficult to achieve. Therefore, the church treasurer should make an envelope for every contribution check received without one. Though a burden on the treasurer, this will save the church and the donors in an audit.

If a church cannot prove that a check was for tithe or offering, the donor may lose the amount of that check as a charitable contribution. That eventually would cause the donor to have to amend his or her

taxes. Without tithe envelopes, the IRS could refuse (not necessarily would refuse) to accept ALL contributions. Why take the chance? Provide tithe envelopes. Encourage their use. If a check for a contribution is received without an envelope, make one.

Tithe envelopes should be kept for seven years per IRS regulations. After seven years they can be destroyed.

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