

Sample Benevolence Fund Policy
By Richard R Hammar

Here is sample wording for a church benevolence fund policy:

First Church, in the exercise of its religious and charitable purposes, has established a benevolence fund to assist persons in financial need. The church welcomes contributions to the fund. Donors are free to suggest beneficiaries of the fund or of their contributions to the fund. However, such suggestions shall be deemed advisory rather than mandatory in nature. The administration of the fund including all disbursements is subject to the exclusive control and discretion of the church board. The church board may consider suggested designations, but in no event is it bound in any way to honor them, since they are accepted only on the condition that they are merely nonbinding suggestions or recommendations. As a result, donors will not be entitled to a return of their designated contributions on the ground that the church failed to honor their designations.

Donors wishing to make contributions to the benevolence fund subject to these conditions may be able to deduct their contributions if they itemize their deductions on their federal income tax return. The church cannot guarantee this result and recommends that donors who want assurance that their contributions are deductible seek the advice of a tax attorney or CPA. Checks should be made payable to the church, with a notation that the funds are to be placed in the church benevolence fund.

The Official Board
First Church

This sample was taken from Richard Hammar's annual *Church & Clergy Tax Guide*, available on YourChurchResources.com.