



STEWARDSHIP Matters...

A PUBLICATION OF BELIEVERS STEWARDSHIP SERVICES, INC.

AUTUMN 2010

Aunt Elsie and the Gederites

“Over the olive trees and the sycamore trees that were in the low plains was Baal-hanan the Gederite: and over the cellars of oil was Joash.” —I Chronicles 27:28

She was a real caricature: any artist would have delighted to pull out a pencil and sketch her. Little and old—well, she was in her 80’s—rather a long nose and a somewhat pointed chin. She wore an old oatmeal gray coat, sometimes buttoned in the right button hole and sometimes not. On her head was a black felt hat, pressed on at a different angle each night. But she had the most electric blue eyes, with a sparkle that indicated that behind the old frame and beneath the fading locks was a very active mind.

It was the dead of Canadian winter and there was a series of gospel meetings being held nightly. She lived alone, so we picked her up in the car and took her along to the meetings. She didn’t miss one night in five weeks.

Night by night after the meeting, this old soldier would greet the preacher at the door with a rather succinct assessment of the message. “Well,” she might say one night, “you had a hard time preaching up there tonight, didn’t you?” Indeed, it was one of those nights when there seemed to be no liberty at all to preach, fumbling through the message, forgetting, misquoting—a distressing thing for a preacher.

“Yes, Aunt Elsie,” the preacher replied, “I was really struggling tonight.”

The old lady nodded, “Well, I’m praying for you.”

On another night, it would be different, the strong handshake at the door and the “appraisal.” “Well, God gave help in preaching the old gospel tonight, brother.”

“Yes, thank the Lord, there was help and liberty in the message tonight,” said the preacher.

Fastening those eyes on him, she’d reply, “I’m praying for you.”

It was not clear whether that was to be a prayer for blessing or for humbling, lest the preacher glory in himself or his preaching.

Then one night, a terrifying thing for a preacher took place. Sitting at the front just about to climb the platform to speak, the preacher was going over in his mind the message he had prepared. The last hymn before he should rise was coming to a close, when suddenly it was as though the Lord spoke in his heart and said, “That is not the message for tonight!” What a shock, in such a moment. In a minute he would have to get up and preach—what? Crying in his heart to the



Continued on page 2

Lord for help, suddenly, and very forcibly, there came to mind an obscure Old Testament scripture. The Lord helped the preacher quickly locate the scripture, the hymn ended, and with his finger in the text he climbed the platform, opened the Bible, and with trembling began to preach the gospel from that obscure text. God blessed the message in a wonderful way and souls professed faith in Christ that night.

The preacher stood at the door but he was looking for the little black hat making its way down the aisle. At last there she was. She took hold of the preacher's hand, held onto it, and fastened those twinkling eyes on him for a long minute. "Well, I prayed for you today—that you would preach from that very text tonight!"

It is doubtful if anyone ever went to that old soul to thank her for praying for the needy preacher, but if there are to be rewards for the work accomplished in those meetings, where do you think they will go? To the man on the pulpit or the old prayer warrior doing business for God and the souls of men in the sanctuary, wrestling in heavenly places to pull down the anointing of God on the public testimony?

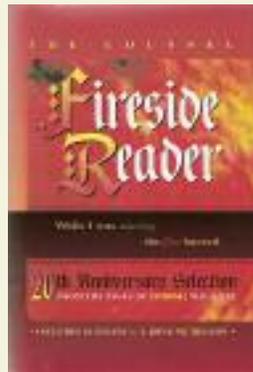
Remember Baal-hanan the Gederite? Or Joash of the oil cellars? Not likely. Few ever remember them. Why not? Because as far as we can tell, those men never said a word in any of the public service

of God. They were commissioned by the king to ensure that there would always be an adequate inventory of oil for the anointing of the holy vessels.

Baal-hanan labored in "*the low plains*" and Joash in "*the cellars*." Men out of sight, yet whose hidden ministry was absolutely essential for all the service of the sanctuary. Indeed, without their hidden labors there would be no public service at all. Those men of the oil were unknown, unseen, unheralded, but the king knew they were there; he had commissioned them, and he would reward them.

Well, Aunt Elsie was little known down here, laboring in "*the low plains*" and in "*the cellars*"—but she was well known in the sanctuary. The Lord knew she was there. He had commissioned her and He will reward her.

Thank God for the servants of the sanctuary.



J. BOYD NICHOLSON,
Editorial, *Counsel Magazine*,
May-June 2000, p. 3; *The
Counsel Fireside Reading*, 2001,
p. 106. Permission granted by
Gospel Folio Press.

EDITOR'S NOTE: Read
Matthew 6:1–8, with an
emphasis on verse 6.

A Gift for Time & Eternity

As of July, interest rates for Charitable Gift Annuities increased slightly, making them even more appealing for someone considering a charitable gift, but needing some current income. They are not for everyone, but if a Charitable Gift Annuity is right for you, there are significant benefits.

A Gift Annuity is a contract between an individual or a couple (Donor) and a qualified charity. The individual will provide a gift to the charity in exchange for a guaranteed, lifelong stream of income. Because a gift to a charity is involved, the Donor is entitled to deduct the charitable gift portion on their current year income tax return.

The income that comes back to the Donor also has certain tax advantages. A portion of the payment

is considered non-taxable return of principal and the remaining portion is taxed as ordinary income. Another generous advantage is that investments in a Gift Annuity generally are not included in your estate for estate and inheritance tax purposes.

The income is guaranteed by the organization issuing the annuity and there are generally State laws and regulations requiring certain amounts of the Gift Annuity to be held in reserve to guarantee payment. At BSS, the entire amount you contribute is held in investments to guarantee your annuity payments, not just the State mandated reserves. A further benefit of a BSS Gift Annuity is that by combining the Gift Annuity with our Donor Advised Fund, donors can direct the principal to other ministries.

There are other options and advantages to using a Gift Annuity. If you are interested please visit our website, www.believerstewardship.org or call us at 888-338-7810.

Parsonage Allowance

Does taking an income tax deduction for the new recliner purchased for the living room sound attractive? Surprisingly, the IRS allows just that in some instances. Specifically, Regulations dating back to the 1940s allow ministers of the gospel to reduce reportable income for income tax purposes by an amount known as a Parsonage (or Housing) Allowance.

Who qualifies? An individual must be employed by a church or an integral agency of a church, perform sacerdotal duties, and be ordained. In assembly circles, that means the individual must be commended by a local church and perform duties considered ministerial (i.e. preaching, baptisms, weddings etc.).

What steps are necessary to take the deduction? Waiting to take action on the Housing Allowance deduction until the income tax return is filed will disqualify an individual from the benefit. Rather, prior to compensating the individual for the year, the leadership of the local church must pass a Housing Allowance Resolution. The Resolution states how much of the total compensation for the year will be paid for housing expenses and therefore exempt from Income Tax. If the Resolution is not passed in advance, there is no deduction. Therefore, it is important that the worker provide the leadership of the church with an estimate of housing costs for the coming year.

What qualifies as a housing expense? The rules for what constitutes a housing expense are fairly liberal. That is, most things related to maintaining and furnishing the residence, including furniture men-

tioned above, are added into the total. Items such as rent, mortgage payments, property taxes, insurance, appliances and decorating items (both indoor and outdoor) are legitimate housing expenses. In fact, generally anything purchased to provide for the home property is valid. However, the Parsonage Allowance deduction is limited to the actual housing expenses for the year.

Let me illustrate. Suppose a commended worker estimates his housing costs will be about \$10,000 for 2011. He would communicate this to the leaders of the local church from which he receives income. The leaders would pass a resolution stating that \$10,000 of the total compensation received will be paid as a housing allowance. When the Form W-2 is produced for 2011, the worker's gross wages will be reduced by \$10,000. Most full time workers are considered "dual-status employees." Dual-status employees pay their own Self-Employment (SE) tax. While the Parsonage Allowance extends an exemption for income tax, it does NOT allow an exemption from SE tax. Therefore, when the worker computes Self-Employment tax, he will add back into his compensation the amount deducted for housing.

In short, the parsonage allowance is a great opportunity to make money given to ministers of the gospel stretch further. There are a number of tax issues related to this topic that are beyond the scope of this article. If you believe a housing allowance may benefit you or a commended worker from your church and have questions, please call Believers Stewardship Services, Inc.

IRA Conversions

Question: When is paying more taxes today a good thing? Answer: When it saves you from paying even more taxes later. In fact, that may be the situation many of us are in today.

In 2006, Congress removed the income limits on converting a traditional IRA to a Roth IRA, effective in 2010. As a result, many people are able to do a conversion, pay tax today on the conversion amount, and pay no taxes on all future distributions, including additional growth of the IRA.

With a traditional IRA a person invests pre-tax dollars, that is, dollars they have earned but on which they haven't paid tax. That money grows (hopefully) over time through proper investment and then, during retirement, money is withdrawn and taxes are paid at ordinary income tax rates on every dollar disbursed. The main benefits of the traditional IRA are that most people are in a lower tax bracket at retirement than in their prime earning years and they are able to set aside more dollars to invest because the taxes are delayed or deferred.

A Roth IRA in many respects has characteristics

that are opposite of the traditional IRA. With a Roth IRA, a person will invest after-tax dollars (money on which they have already paid regular income tax) and thereby shield all future withdrawals from any income tax consequences during retirement.

With the very real prospects of significant tax increases in the near future, now may be the time to consider a conversion, even though that would mean paying more income tax over the next two years. You would need money available other than the money transferred to pay the extra taxes. The year 2010 is a notable year in that you will be able to delay and split the taxes owed. That is, conversions done in 2010 will be able to split the tax effect between taxable years 2011 and 2012.

There may be issues related to a Roth conversion that need to be considered for your specific circumstances. We recommend you talk with your financial advisor to see if a conversion is right for you. If you have questions about how a Roth conversion works, please feel free to call us.

Advance Directives and Living Wills

An article from the American Bar Association started with the question "Did Terri Schiavo die in vain?" While that may be an overstatement since Terri Schiavo was not for or against anything in particular, nor did she have the ability to consider herself some type of martyr, the reasoning behind the question is valid.

The case of Terri Schiavo captured the attention of the United States simply by the lengths it went in the courts and legislatures of the State of Florida and the United States. The legal proceedings started in 1998 and finally ran their course in March, 2005. In between, there were 12 appeals, a law hastily drafted by the Florida legislature and signed into law to give Governor Jeb Bush authority to intervene in the case. Later, the US congress passed a law, and President George Bush

signed it, granting the Federal Courts jurisdiction in this case.

When all was said and done, we are still not sure if the wishes of Terri Schiavo were accomplished!

In spite of this drama and national attention, it is estimated that about 3 of every 4 adults do not yet have any form of Advance Directive or Living Will. Most Americans have still not addressed or expressed in writing what their end-of-life desires are as they relate to medical care.

We encourage all of our clients to have three basic documents, a Will, a durable power of attorney for financial matters, and a durable power of attorney for health care. If you have not planned your estate yet, please do not hesitate! Call us to start the process.

Worldliness: Resisting the Seduction of a Fallen World

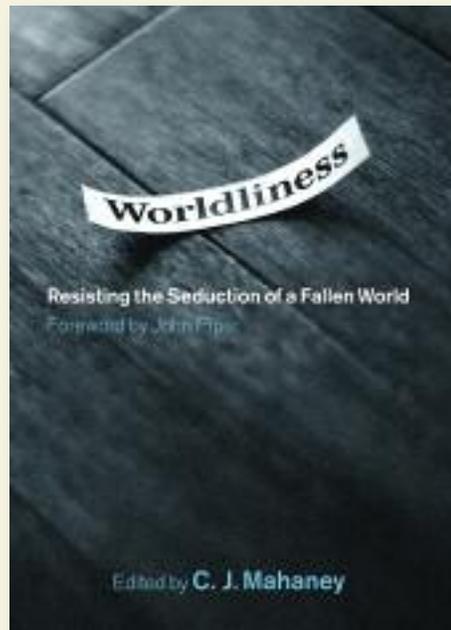
This title is one in a series of books published by Crossway Books on aspects of the Christian life.

The topic of this book is one that has been a ticklish one for Christians especially since the media age began.

The authors are trying to involve Christians in thinking seriously about the life of a Christian in a media-saturated age. While acknowledging that some would have us abstain from all popular media, these authors are advocating the responsible use of media while certainly recognizing the dangers that are associated with much of today's world. The chapters deal with media, music, possessions and clothes with a final one that deals with reaching out to those in the world.

While dealing with the temptation of legalism and its implications of requiring others to conform to a standard of practice not clearly demanded in Scripture, the authors of each chapter are focusing on guiding Christians to not let the lure of this world subtly lead to a decline in spiritual vitality.

The book is short enough to be read without getting bogged down. It is practical in its application and it is God-centered in its focus. This book is recommended to all, both young and old alike.



Worldliness: Resisting the Seduction of a Fallen World

C. J. MAHANEY

Published by Crossway Books, 2008



OUR TEAM

President David M. Allison
 General Counsel Carl L. Taylor
 Trust Officer Andrew C. Tuecke
 Trust Officer R. Scott Thomson
 Administrative Assistant Erica Herr
 Administrative Assistant Connie Heeron

NOTICE: The estate planning, financial counseling, and tax services of Believers Stewardship Services, Inc. are provided without charge or obligation. Nothing in this publication should be taken or relied upon as legal or investment advice. Such advice should be provided only by competent professionals based upon the specific facts and information involved in each case. For additional information, please contact our office.

OUR MISSION

Believers Stewardship Services is a ministry designed to glorify God by helping Christians accomplish their financial and estate planning goals in fulfilling biblical stewardship.

“Honour the Lord with thy substance, and with the firstfruits of thine increase...”

PROVERBS 3:9 (KJV)