



EQUIPPING FOR ELDERSHIP

C H A R G I N G F O R C H U R C H F A C I L I T I E S

Can we charge members less than the public for use of church facilities?

Jean Poole has been a member of St. Andrew's her whole life. When she was engaged to be married, she was excited to hold the ceremony in the same sanctuary used by her parents and grandparents.

Bill Folds passed St. Andrew's every day of his life. He had never been inside but always admired the stately architecture. Now that he and his girlfriend have exchanged rings he decided to find out how much it would cost to be married there.

To deal with such wedding requests, churches often draw up a fee schedule that describes the cost of using the facility. It would typically list a fee for using the sanctuary, the honourarium to be paid the minister, musician, caretaker and so on. The fee schedule is given to brides and grooms for their information.

Some churches charge one fee for non-members and a lower fee, or none at all, for members of the congregation. Is this permissible?

On the surface it can seem like it should be. It seems that members who contribute to church upkeep and the support of ministry staff should get a financial break when using the church building.

According to the Canadian Council of Christian Charities, congregations are not to charge different fees for members and non-members. The council notes, as far as the Canada Revenue Agency is concerned, this creates an implied tax benefit for members of, or donors to, a congregation.

The CCCC handbook states, "Members of charities, and particularly of churches, are often very loyal and committed to that charity and its work. It is recognized that in many cases without the contributions of such members, whether financial or otherwise, the charity would not exist. The fact that members have made financial and other contributions, however, does not create any legal rights of ownership or entitlement to the charity's property. Charities exist for the public benefit and are owned by the public at large. This means for example, if the charity decided to close its doors, it could not divide and distribute the assets to its members, as if it were a for-profit business. The assets would have to be distributed to another charity so the public could continue to be benefited. (In the case of dissolved Presbyterian congregations, the assets vest with the Trustee Board of the PCC.) An understanding of this principle is particularly important when it comes to members' use of facilities for their own person purposes (i.e. not for any activity of the charity).

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CHARGING FOR CHURCH FACILITIES

Charities that make their facilities available to the community for private events such as weddings and anniversaries should charge identical rental fees to everyone, regardless of membership or gifts made. If members and donors receive preferential treatment, such as a lesser charge or no charge at all, the charity would be providing an advantage to them because they are members or donors of the charity. Not only could the charity's registration status be jeopardized, but the implication is that every member and donor would be in receipt of an advantage which would reduce the eligible amount of their respective charitable tax receipts.

This caution might also serve as a reminder that the church is called to serve the larger community.