

HWAPP # 5018 GA4

1974^{late}

or
early
1975?

REPORT ON TITHING ADMINISTRATION

As requested by Messrs. Herbert W. Armstrong and Garner Ted Armstrong, the Doctrinal Committee has been conducting a series of meetings on the administration of tithing following publication of the Study Paper on Tithing (in October 1974), which reaffirmed the basic theology of tithing as an absolute law of God. Subjects discussed have been the definition of adjusted gross income, legitimate deductions, tithing before or after taxes, support for widows, etc., and clarification of the festival tithe.

Adjusted Gross -- What Are Legitimate Deductions?

For years the Church has given the basic guideline: tithe on the adjusted gross income (though sometimes mistakenly using the term "gross income"). That is, the businessman would take off his business expenses first before determining the tithe -- while the wage-earner who had no such expenses would tithe on the adjusted gross figure which would not include business expenses as deductions.

There is need at this time to clarify precisely the principles on which expenditures may be legitimately deducted by the wage-earner, such as costs of uniforms, tools, union dues, etc. required for the job. It is important to eliminate the necessity of answering myriad specific questions which inevitably come up. The individual should make his own decisions in these matters, before his God, on the basis of the general principle (as in the case of healing), rather than have the Church detail specifics.

AND YET
DETAIL
FOLLOWS!

Before or After Taxes?

The bigger question now is whether one tithes on adjusted gross income before taxes or on adjusted gross income after taxes. Can we find Biblical examples and guidelines which reveal God's mind in the matter?

A fundamental fact generally overlooked is that in ancient Israel every single head of household was given an area of land on which he did not have to pay property tax -- much less rent or purchase price (Numbers 32:1-5, 33-42; 27:11; Joshua 13-19, especially 13:14). This was the acme of financial security.

We need to consider the great changes that have taken place in today's tax structure since initial decisions in tithing were made.

In 1934 when this Work began, the per capita income in the U.S. averaged \$424.00. The per capita federal tax was \$21.13 -- only 4.98% of income.

But, by 1971 (latest available data) per capita income was \$4,156 -- the per capita federal tax was \$927.02, or 22.3%. Today, direct U.S. federal tax is estimated over 25%. State and local income taxes would increase the portion to a direct tax total of one-third of the average U.S. citizen's income.

And in Britain, Scandinavia, Australia, and other countries, the tax load is even greater. In fact, years ago the Church of God found that in Britain and Scandinavia a special tithe ruling had to be made in particular instances because certain individuals were paying 80% to 90% of income in taxes. For individuals in

this category to pay tithes requires over 100% of income, a logical absurdity that already demanded a church ruling.

Thus we have already had to take income taxes into account and make certain judgmental decisions for individuals whose tax bite was so big as to leave them without sufficient income with which to save second or third tithe -- or even to live frugally.

Should not a new ruling then be considered when governments take 25%, 30%, 40%, or more in income taxes?

Is it not within the power, scripturally speaking, of the ministry of Jesus Christ to make binding and loosing decisions in such cases?

Precedents Already Set

A precedent which should be weighed in the present decision involves splitting tithable income to preserve a marriage with an unconverted mate. In a situation where a converted husband has an adamantly antagonistic mate opposed to tithing, the Church has allowed the man to consider that his wife is entitled to half of the income. This means that the man pays tithes and offerings only on one-half of his actual income.

This privilege applies only to those whose marriages are severely threatened. ("Tithes and Offerings," March 14, 1973, No. 701, page 6, Church Administration Department).

Since, in such cases, the decision is that God holds the

So there
were bulletins
& etc. pub-
lished by
CAD?

unconverted mate responsible for tithing on 50% of income, is it not possible that, likewise, the Church could consider the government responsible before God for that percentage (usually 25% to 40%) of one's income paid as taxes? Further, we have judged that a wife whose antagonistic mate prevents her tithing is free of the obligation and he is held responsible by God for her entire income.

A further consideration: When a person tithed to God in ancient Israel, he reaped many of the benefits we now get from the government -- the judicial system, education and a regulated society were all paid for from the first tithe, prior to Saul. In addition many of the services we reap via government come from taxes other than income tax.

The implication of these judgments should be carefully weighed.

Furthermore, when God gave instructions about tithing cattle, he did not require the first animal that came down the chute -- even though he could have. He asked for the tenth. If no tenth animal came through, or passed under the rod, God didn't take anything. He simply did not claim the first tenth, only a tenth (Leviticus 27:32-33). The conclusion is that the Israelites did tithe on the bulk of their income, but they did not tithe on a strict absolute gross income. God allowed offerings to take care of that.

Mr. Herbert W. Armstrong had said repeatedly that, if at all possible according to the Bible, he wanted to be able to

NB - Very different than what WGG pub's express!!

Point - HWA has changed D+R... he can change this, too.

lift the Church-imposed divorce-and-remarriage burdens of people now happily married -- and he was able from the Bible to do just that! Today, most countries impose income taxes far in excess of the 10% originally set aside in Egypt by Joseph for human secular government (Josephus, Antiquities) and designated for Saul's government. And they usually impose their taxes on that part of income given as donations (tithes and offerings) to the Church of God. If relief were granted to people in these countries by modifying the tithable base, the same policy can be applied to the Netherlands, the Philippines, Canada and the U.S.A., where donations to the church are deductible prior to tax assessment. In this manner a standard administration of tithing can be applied worldwide -- giving God's Church unity and consistency.

People so blessed would fully tithe on their tax refunds. And give more generous offerings too.

It is our judgment therefore that the matter of tithing on after-tax adjusted gross income rather than on before-tax adjusted gross income be accepted as an avenue of relief. This change would be wholly consistent with the administration of tithing in the Old Testament.

Our brethren will largely be giving the same amount as they now do -- with slightly more considered as free-will offerings and slightly less as the required tithe. Not only will this relieve the burden (both financially and mentally) of our brethren, > but it may actually encourage more prospective members and co-

Tithing
on before-
tax income
was the
norm.

Optimistic
view

workers to begin tithing.

Third Tithe/Emergency Fund

How are we to administer Deuteronomy 14:28-29 and 26:12-15 -- now that state, federal and provincial governments have, through taxation, assumed much of the responsibility for the care of the poor and destitute?

A basic judgment pertaining to the third or poor tithe was rendered by Garner Ted Armstrong in the May Conference, 1974. It lifted the burdens from many, yet emphasized the responsibility of Christians to care for those in need. This clarification of responsibility recognized the poor tithe is for the poor and destitute, not from them. This was, in fact, a restatement of the original Church policy which had basically left up to the individual person to implement the poor tithe or to make his personal needs known.

A new factor has entered the picture because of the rapid increase in welfare programs. Each year, depending on the country one lives in, as high as 25% of income is taken by the government support welfare programs. This sum is far above what would have been expected if social welfare were left to the individual to administer. It is the conclusion of the members of the Doctrinal Committee that, in terms of conscience and the law of God, our people are already fulfilling the requirement of the law. Considerably more than the third or poor tithe is exacted yearly in taxation for welfare.

No 3T!!

As Christians, we have an obligation to care for those in need among us who cannot receive government welfare. We must all, as much as possible, go above and beyond in taking care of the needy and handicapped. In fact, the law teaches we must do more than just pay the poor tithe (Deuteronomy 15:7-11). I Timothy 5:16 conveys the intent of the law even further, by placing responsibility on family members to care for needy widows, so the Church won't be burdened with this duty any more than necessary.

God's Church today has an ongoing need to provide for the widow, the fatherless and all those unable to support themselves. As ministers we owe it to the brethren, for their spiritual good, to encourage them to continue providing for the welfare of the needy among us. We should avoid stating any percentage, but rather stress that the need has not diminished. Encourage people who can to vigorously give of their time, energy and goods if their monetary resources are limited. And those who can should be further encouraged to take up the financial gap.

Administration of this poor fund is a separate issue, but ^{also} ~~we recommend retaining the funds at Headquarters rather than in various local church accounts across the United States.~~

It is evident that in the Old Testament any deserving indigent person could receive the poor tithe. He did not have to fall into the specific categories of widow, orphan, or newcomer. Men as well as women were eligible. Thus our present distinction between third tithe and emergency fund appears an artificial one.

The manner of saving or setting aside money for the indigent, widows, etc. should now be considered. We already have one example of the administration of aid for the poor: the Church expects family members to care for their own needy flesh and blood. Such individuals would not be saving only in the third year but continually as the need exists. Therefore, it would be equally acceptable for Church members in general to budget sums for the poor annually (month by month) rather than one year in three. (The reason for the tenth in the third year is, after all, that a tenth was the easiest method by which to reckon, and once in three years would have reduced the welfare burden in ancient Israel enough over the years to make it just and yet adequate.)

Are we not trying to use may reasoning to depart from God's way?

God pours His blessings on 3rd yr. tithers & on the whole while did i

A clarification of this matter would be administrative, and not represent doctrinal change. Saving a small percentage for the poor each year is a viable alternative but would not preclude the saving of a tenth the third year for those who wish and can so budget their income. Nor would it preclude generosity beyond the tenth, such as Zacheus who gave half his goods to the poor (Luke 19:8).

But people tend to take advantage of easy chance to avoid doing what God commands. The motive is still "get" - not be generous! AVE!

Further Clarification of Feast Tithe

The second or festival tithe is not a tithe independent of the festivals. It is, in fact, a part of the law of the feast rather than some adjunct of the tithe that is God's.

The festival tithe law presumes that there would be those unable to save an adequate festival tithe. Their needs were to be met by those with larger than average incomes (Deuteronomy 16:11-12,14). That is, those who could were expected to save the festival tithe even though it be more than they needed, in order to take care of those without adequate funding.

The basis for calculating the festival tithe in the Old Testament was not a blanket 10% of income as in the first tithe. Indeed a tithe was saved from year to year "on all the increase of thy seed," which included the tithe of grain, wine and oil (Deut. 14:22-23). But uniquely it did not include a tithe of cattle or flocks, but firstlings instead (v. 23). Not only is it good animal husbandry to avoid the retention of firstlings for breeding stock, but the firstlings would usually be significantly less than a tenth of one's animals. Firstlings from flocks, for example, would more nearly equal 5% of the livestock. This is not to teach us that grain farmers must pay a full tenth while others do not have to. Rather the lesson is that the percentage of one's income for the festivals is variable and should approach the full tenth as an upper limit for as many as God has indeed blessed.

¶ With respect to the tithe of the tithe, it is a recommendation of the Festival Office that a new policy be considered. Namely, that the tithe of the tithe be replaced by a nonrefundable registration fee from each family. This funding, including rebates from motel owners, would be used to meet convention

expenses and maintenance. It would also more equitably distribute the financial burden, relieving families with larger numbers of children.

Summary Statement

With the above policy adjustments, the large percentage of our co-workers and members would want to maintain the present level of tithes and offerings. Their decrease in the tithe would be offset by a corresponding increase in the offering. In fact, most of our brethren should be giving so far "above and beyond" that the strict differentiation of where the tithe ends and the offering begins becomes nonessential. Individuals hard-hit by taxation would find a measure of financial relief and be able to provide for their families properly. To offset any resulting smaller income, it would be incumbent on the ministry to encourage those who are able to go above and beyond.

Such a change might even encourage some few who have ceased to tithe to begin again! More importantly, it would give greater incentive for prospective members to tithe by removing potential stumbling blocks.

I doubt
it