

2021

Church Treasurer's Seminar
Southern California Conference

Nick Perez

Robin Smith

Claudia Stylc

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Non-Resident Workers

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NON-RESIDENT WORKERS

Guest speakers and workers from outside of CA



INTERNATIONAL WORKERS

- Must fill out Form 8233
- Purpose of the form
 - Prevents double taxation
 - Income taxes for non-resident aliens is 30%
- Tax Treaties
- Worker must have an SSN or ITIN
- Forms must be filled out BEFORE the service is performed

FORM 8233 – PART 1

This exemption is applicable for compensation for calendar year _____, or other tax year beginning _____ and ending _____.

Worker's info belongs in Part 1-3

Part I Identification of Beneficial Owner (See instructions.)

1 Name of individual who is the beneficial owner	2 U.S. taxpayer identification number Worker must have a SSN or ITIN	3 Foreign tax identification number, if any
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4 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box.**
The international address of the worker

City or town, state or province. Include postal code where appropriate.	Country (do not abbreviate)
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5 Address in the United States (street, apt. or suite no., or rural route). **Do not use a P.O. box.**
Enter the US operating address (the church's address)

City or town, state, and ZIP code

Note: Citizens of Canada or Mexico are not required to complete lines 7a and 7b.

6 U.S. visa type	7a Country issuing passport	7b Passport number
8 Date of entry into the United States	9a Current nonimmigrant status	9b Date your current nonimmigrant status expires

10 If you are a foreign student, trainee, professor/teacher, or researcher, check this box

Caution: See the **line 10 instructions** for the required additional statement you must attach.

FORM 8233 – PART 4

Part IV Withholding Agent Acceptance and Certification	
Name	Employer identification number
Church's information belongs in Part 4	
Address (number and street) (Include apt. or suite no. or P.O. box, if applicable.)	
City, state, and ZIP code	Telephone number
Under penalties of perjury, I certify that I have examined this form and any accompanying statements, that I am satisfied that an exemption from withholding is warranted, and that I do not know or have reason to know that the nonresident alien individual is not entitled to the exemption or that the nonresident alien's eligibility for the exemption cannot be readily determined.	
Signature of withholding agent ▶	Signature of Pastor or treasurer Date ▶

Form **8233** (Rev. 9-2018)



WITHIN THE US BUT OUTSIDE OF CA

- Form 587
- Purpose of form 587
 - Determine if church needs to withhold a portion of worker's income
- Worker will not be taxed on anything under \$1500
 - \$1500 and over and the church will have to withhold 7% of total compensation
- Multiple events or services
 - Form will need to be filled out for each service
- Virtual services

FORM 589 PART 1

TAXABLE YEAR

2020

Nonresident Withholding Allocation Worksheet

CALIFORNIA FORM

587

The payee completes this form and returns it to the withholding agent.

Part I Withholding Agent Information

Withholding agent's name

This is the church's information

Address (apt./ste., room, PO box, or PMB no.)

City (If you have a foreign address, see instructions.)

State

ZIP code

FORM 589 PART 2, 3

Part II Nonresident Payee Information

Payee's name SSN or ITIN FEIN CA Corp no. CA SOS file no.

Address (apt./ste., room, PO box, or PMB no.)

Worker's Information

City (If you have a foreign address, see instructions.)

State ZIP code

Nonresident payee's entity type: (Check one)

- Individual/sole proprietor Corporation Partnership Limited liability company (LLC) Estate or trust

This is typically check marked

Part III Payment Type

Nonresident payee: (Check one)

- Performs services totally outside California (no withholding required, skip to Certification of Nonresident Payee)
 Provides only goods or materials (no withholding required, skip to Certification of Nonresident Payee)

Check mark this

- Provides goods and services in California (see Part IV, Income Allocation)
 Provides services within and outside California (see Part IV, Income Allocation)
 Other (Describe)

If the nonresident payee performs all the services within California, withholding is required on the entire payment for services unless the payee is granted a withholding waiver from the Franchise Tax Board (FTB). For more information, get FTB Pub. 1017, Resident and Nonresident Withholding Guidelines.

FORM 589 PART 4 - ALLOCATION

Part IV Income Allocation

Gross payments expected from the withholding agent during the calendar year for:

	(a) Within California	(b) Outside California	(c) Total payments
1 Goods and services:			
Goods/materials (no withholding required)			
Services (withholding required)			
2 Rents or lease payments			
3 Royalty payments			
4 Prizes and other winnings			
5 Other payments			
6 Total payments subject to withholding.			
Add column (a), line 1 through line 5			
Nonresident withholding threshold amount: ...	\$1,500.00		
Backup withholding threshold amount:	\$0.00		



FORM 589 - SIGNATURE

Certification of Nonresident Payee

To learn about your privacy rights, how we may use your information, and the consequences for not providing the requested information, go to ftb.ca.gov/forms and search for **1131**. To request this notice by mail, call 800. 852.5711.
Under penalties of perjury, I declare that I have examined the information on this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. I further declare under penalties of perjury that if the facts upon which this form are based change, I will promptly notify the withholding agent.

Sign Here

Print or type payee's name	Telephone
Payee's signature X Signed/dated by the worker	Date
Print or type representative's name and title	Telephone
Authorized representative's signature X	Date



SUMMARY

Nick Perez | Associate Treasurer

nperez@sccsda.org

818-546-8472



Capital Improvements

Nick Perez



Topics

1. Definition/examples
2. Requirements
3. What to include in report



1.) Definition/Examples

- Definition
 - The addition of a permanent structural change or the restoration of some aspect of a property that will either enhance the property's overall value, prolong its useful life, or adapt it to new uses



Capital Improvements Examples

- New buildings
- Adding space or rooms to an existing building
- Remodeling or renovating areas of an existing building
- Installing or major resurfacing of the parking lot



2.) Requirements

- All projects to be reported are to have a threshold of \$20,000 or more.
- This includes total costs paid, donated materials, and donated labor.



Repair vs Capital Improvement

- Normal repairs and maintenance are not capital improvements
 - Normal repairs are replacing a small section of the building
- Capital improvements extends the life of the asset or makes the asset perform more efficiently.



3.) What to submit to SCC

- Project description
- Project costs
 - **Vendor invoices**
 - **Check receipts**
- Project costs savings
 - Volunteer labor
 - Donated materials



4. Plan Going Forward

- Preliminary online form sent in November
- Follow up if needed in December
- Deadline: January 15, 2022
- We need a 'No' response if no improvements were made. We cannot assume that non response is a 'no'

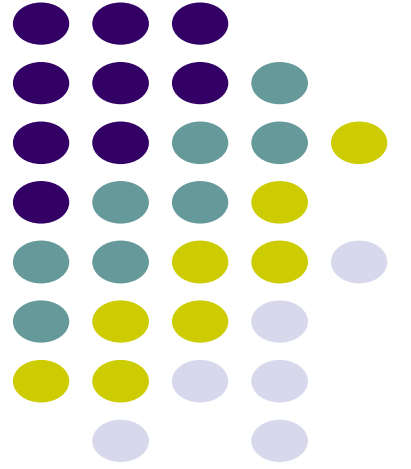


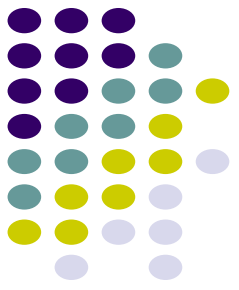
Questions

Nick Perez | Associate Treasurer
nperez@sccsda.org
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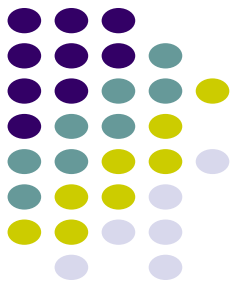


Employee VS Independent Contractor



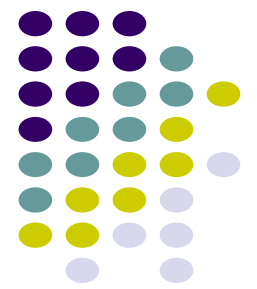


According to the IRS, in order to correctly classify a worker as either an employee or contractor, you have to look at the relationship between the worker and the business



Behaviour Control

- Does the church control *what* the worker does
- Does the church control *how* the worker does the job?

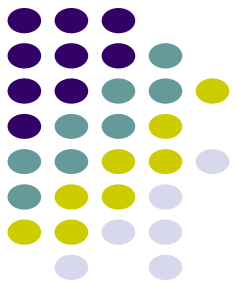


Financial Control

- Does the business **control** the financial aspects of the worker's job?
- Are there business aspects of the worker's job **controlled** by the business?
- Contractors are generally not reimbursed for job expenses unless agreed on in the contract



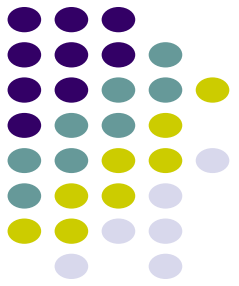
Relationship Between the Worker and the Business



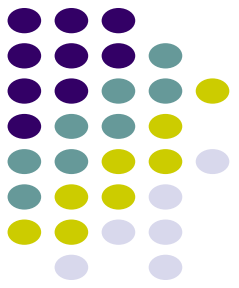
- Are there any written contracts?
- Who is preparing the contracts?
- Are there any employee benefits?
- Will the relationship continue and is the work performed a key aspect of the business?



Contract



- If you, as the business owner are requiring a worker to sign a work contract with your company's policies and procedures, **then that worker is an employee**
- **Control** is the #1 factor
- If a worker is wanting you to sign their contract, **then they are the one in control of the relationship**



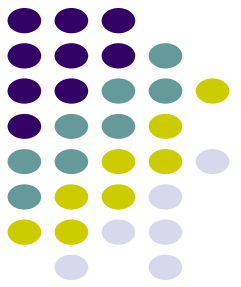
Contract

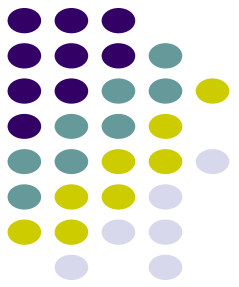
- If you, as the business owner are requiring a worker to sign a work contract with your company's policies and procedures, **then that worker is an employee**
- **Control** is the #1 factor
- If a worker is wanting you to sign their contract, **then they are the one in control of the relationship**



Benefits

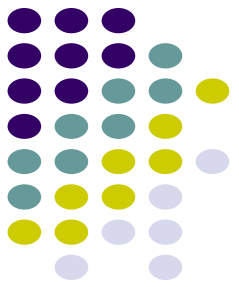
Businesses simply don't offer benefits to contractors





Continuing Relationship

- Contractors have a very specific job to do and once that job is complete, **their relationship with that business is also over**



Summary

- Steep penalties for misclassifying workers
- For independent contractors, have them fill out a W-9.
 - File 1099 by January 31st 2022
- Contact Deanna for the necessary forms for employees.

INCORRECT TIME SHEET

ERRORS IN TIME SHEET

Southern California Conference Hourly Time Report

Work Location: _____
 Employee Name & ID Number: Joe Smith Job Title: _____
 For Pay Period 09/13/20 to 09/26/20 09/28/20
 Beginning Ending Timecards Due
 Employee Signature: ① Date Signed: _____

This is the period during which the work was performed.									Regular Hours	Overtime		OTHER (Please Specify)
Date Worked	Start Time	End Time	Start Time	End Time	Start Time	End Time	Start Time	End Time		Time & A Half Hours**	Double Time Hours***	
13-Sun									0.00	0.00	0.00	
14-Mon	8:00 AM	12:00 PM	12:30 PM	3:00 PM					6.50	0.00	0.00	
15-Tue	8:00 AM	12:00 PM	12:30 PM	3:00 PM		SICK			6.50	0.00	0.00	
16-Wed	8:00 AM	12:00 PM	12:30 PM	3:00 PM					6.50	0.00	0.00	
17-Thu	8:00 AM	12:30 PM		went home sick					4.50	0.00	0.00	S
18-Fri	8:00 AM	12:00 PM	12:30 PM	3:00 PM					6.50	0.00	0.00	
19-Sat									0.00	0.00	0.00	
									30.50	0.00	0.00	0.00
20-Sun									0.00	0.00	0.00	
21-Mon	8:00 AM	12:00 PM	12:30 PM	3:00 PM					6.50	0.00	0.00	
22-Tue	8:00 AM	3:00 PM				NO LUNCH			7.00	0.00	0.00	
23-Wed	8:00 AM	12:00 PM	12:30 PM	3:00 PM					6.50	0.00	0.00	
24-Thu	8:00 AM	12:00 PM	12:30 PM	3:00 PM		VACATION			6.50	0.00	0.00	
25-Fri	8:00 AM	12:00 PM	12:30 PM	3:00 PM					6.50	0.00	0.00	\$6.5
26-Sat									0.00	0.00	0.00	
									33.00	0.00	0.00	0.00
Totals									63.50	0.00	0.00	0.00

Instructions

Employee: Fill in dates worked, start time and end time for each work period. Sign and date this form.

Location Official:

1. Fill in the location name, date submitted and pay period beginning and ending dates.

2. Verify hours worked.

3. Fill in employee name, ID number and job title.

4. Sign this form and fax it to (818) 546-8447

or email it to payroll@sccsda.org.

Note: New employees must complete all employment paperwork with Human Resources before starting work. DO NOT begin work until all paperwork is cleared.

If you have questions about your paperwork contact: hr@sccsda.org.

* Hours must be entered in military time.

**Overtime is hours over 8 and up to 12 in one day and hours over 40 in one week. Hours worked on the seventh consecutive day of the work week are also consider overtime.

***Double time hours are hours worked over 12 hours in one day and the hours over 8 worked on the seventh consecutive day of the work week.

**** Other: Please specify if you are requesting Vaction, Holiday or Sick hours.

V=Vaction S=Sick H=Holiday

If requesting Jury hours provide "Jury Service Notice". If requesting bereavement leave, contact HR for authorization prior to requesting hours.

⑥
Signature of Pastor, Treasurer, or Director

Date Signed

1: NO EMPLOYEE SIGNATURE

2: WORK HOURS ENTERED THEN THE WORD SICK IS WRITTEN IN ON THE SAME LINE

3: EMPLOYEE WORKED PART OF THE DAY AND WENT HOME SICK EMPLOYER WROTE IN SICK

4: WORK HOURS ENTERED THEN VACATION IS WRITTEN ON THE SAME LINE

5: WORK HOURS ENTERED BUT ON THE "OTHER COLUMN" EMPLOYEE IS ENTERED \$6.5

6: NO SUPERVISOR SIGNATURE

7: EMPLOYEE DID NOT TAKE A LUNCH.

CORRECT TIME SHEET

Southern California Conference Hourly Time Report

Work Location: SCC
 Employee Name & ID Number: Joe Smith Job Title: Secretary
 For Pay Period: 09/27/20 to 10/10/20 **10/12/20**
 Beginning Ending **Timecards Due**
 Employee Signature: [Signature] Date Signed: 10/10/20

Date Worked	Start Time	End Time	Start Time	End Time	Start Time	End Time	Start Time	End Time	Regular Hours	Overtime		OTHER (Please Specify)
										Time & A Half Hours**	Double Time Hours***	
27-Sun									0.00	0.00	0.00	
28-Mon	8:00 AM	12:00 PM	12:30 PM	3:00 PM					6.50	0.00	0.00	
29-Tue									0.00	0.00	0.00	S8
30-Wed	8:00 AM	12:00 PM	12:30 PM	3:00 PM					6.50	0.00	0.00	
1-Thu	8:00 AM	12:30 PM							4.50	0.00	0.00	S2.5
2-Fri	8:00 AM	12:00 PM	12:30 PM	3:00 PM					6.50	0.00	0.00	
3-Sat									0.00	0.00	0.00	
									24.00	0.00	0.00	0.00
4-Sun									0.00	0.00	0.00	
5-Mon	8:00 AM	12:00 PM	12:30 PM	3:00 PM					6.50	0.00	0.00	
6-Tue	8:00 AM	3:00 PM							7.00	0.00	0.00	
7-Wed	8:00 AM	12:00 PM	12:30 PM	3:00 PM					6.50	0.00	0.00	
8-Thu									0.00	0.00	0.00	V8
9-Fri	8:00 AM	12:00 PM	12:30 PM	3:00 PM					6.50	0.00	0.00	
10-Sat									0.00	0.00	0.00	
									26.50	0.00	0.00	0.00
Totals									50.50	0.00	0.00	0.00

Instructions

Employee: Fill in dates worked, start time and end time for each work period. Sign and date this form.

Location Official:

- Fill in the location name, date submitted and pay period beginning and ending dates.
- Verify hours worked.
- Fill in employee name, ID number and job title.
- Sign this form and fax it to (818) 546-8447 or email it to payroll@sccsda.org.

Note: New employees must complete all employment paperwork with Human Resources before starting work. **DO NOT begin work until all paperwork is cleared.** If you have questions about your paperwork contact: hr@sccsda.org.

- * Hours must be entered in military time.
- **Overtime is hours over 8 and up to 12 in one day and hours over 40 in one week. Hours worked on the seventh consecutive day of the work week are also consider overtime.
- ***Double time hours are hours worked over 12 hours in one day and the hours over 8 worked on the seventh consecutive day of the work week.

**** Other: Please specify if you are requesting Vaction, Holiday or Sick hours.
 V=Vacation S=Sick H=Holiday
 If requesting Jury hours provide "Jury Service Notice". If requesting bereavement leave, contact HR for authorization prior to requesting hours.

[Signature]
 Signature of Pastor, Treasurer, or Director
10/12/20
 Date Signed

PAYROLL SCHEDULE

- Timecards are due on Monday by 5:00pm
- Timecards are due by 10:00am on Sunday if Monday is a Holiday
- Timecards are due by 3:00pm on Friday if possible but no later than 10:00am on Sunday if the Holiday falls midweek

2022 Payroll Schedule

	<u>Start Pay Period</u>	<u>End Pay Period</u>	<u>Timecards Due</u>	<u>Payroll Date</u>
1	12/19/2021	1/1/2022	*1/2/2022	1/7/2021
2	1/2/2022	1/15/2022	*1/16/2022	1/21/2022
3	1/16/2022	1/29/2022	1/31/2022	2/4/2022
4	1/30/2022	2/12/2022	2/14/2022	2/18/2022
5	2/13/2022	2/26/2022	2/28/2022	3/4/2022
6	2/27/2022	3/12/2022	3/14/2022	3/18/2022
7	3/13/2022	3/26/2022	3/28/2022	4/1/2022
8	3/27/2022	4/9/2022	4/11/2022	4/15/2022
9	4/10/2022	4/23/2022	4/25/2022	4/29/2022
10	4/24/2022	5/7/2022	5/9/2022	5/13/2022
11	5/8/2022	5/21/2022	5/23/2022	5/27/2022
12	5/22/2022	6/4/2022	6/6/2022	6/10/2022
13	6/5/2022	6/18/2022	6/20/2022	6/24/2022
14	6/19/2022	7/2/2022	**7/1/2022	7/8/2022
15	7/3/2022	7/16/2022	7/18/2022	7/22/2022
16	7/17/2022	7/30/2022	8/1/2022	8/5/2022
17	7/31/2022	8/13/2022	8/15/2022	8/19/2022
18	8/14/2022	8/27/2022	8/29/2022	9/2/2022
19	8/28/2022	9/10/2022	9/12/2022	9/16/2022
20	9/11/2022	9/24/2022	9/26/2022	9/30/2022
21	9/25/2022	10/8/2022	10/10/2022	10/14/2022
22	10/9/2022	10/22/2022	10/24/2022	10/28/2022
23	10/23/2022	11/5/2022	*11/6/2022	11/10/2022
24	11/6/2022	11/19/2022	**11/18/2022	11/25/2022
25	11/20/2022	12/3/2022	12/5/2022	12/9/2022
26	12/4/2022	12/17/2022	12/19/2022	12/23/2020



Honorariums

REPORTING FORM FOR PAYMENTS OR GIFT CARDS

PAID TO: _____

AMOUNT: \$ _____

**Already Paid to Employee. Tax Reporting Purposes Only.
Gift Cards are also considered a form of payment**

DESCRIPTION: _____

REQUESTING ORGANIZATION: _____

ADDRESS: _____

PHONE #: _____

E-MAIL: _____

AFFIRMATION: We understand that by submitting this request, the above honorarium will be added to the SCC employee's bi-weekly payroll, and will be subject to all tax and other reporting requirements, and our organization will be billed for the resulting charges.

REQUESTED BY: _____ **DATE:** _____

AUTHORIZED BY: _____ **DATE:** _____
(Business Manager, Treasurer or Pastor)

Email to payroll@scsda.org or FAX to 818-546-8447

Church Remittance

- Remittance Reports are due in the Conference Office by the 10th of each month. Payment is due when reports are submitted.
- If your church does not use Jewel please email your report to me at rsmith@sccsda.org
- Each month when you receive the Remittance Statement 122100 please review. If there is a discrepancy contact me quickly so I can make corrections and clear the account.
- The offering codes for each week are on our web site <https://scc.adventist.org/administration/treasury>



SCC WEBSITE

- <https://scc.adventist.org/administration/treasury>.
- Payroll Schedule
- Payroll Time Sheet
- Meal Break and Rest Break Regulations
- Meal Break Waivers
- Instructions for using APS Employee Online Services

-

CONTACT INFO

payroll@sccsda.org

(818)546-8470 Robin Smith

(818)546-8477 Claudia Stylc

nperez@sccsda.org

(818)546-8472 Nick Perez

Questions?

