

# Christian Congregation of Jehovah's Witnesses



2821 Route 22, Patterson, NY 12563-2237 Phone: (845) 306-1100

May 20, 2012

TO ALL BODIES OF ELDERS IN THE UNITED STATES

Re: Congregation organizational documents

Dear Brothers:

As “the scene of this world is changing,” we expect that the current economic climate and world events may at times affect the way in which congregations must interact with secular institutions. (1 Cor. 7:31) For example, because of stricter application of banking regulations and exemption statutes, congregations have experienced increased challenges in opening bank accounts and obtaining sales tax exemptions and real property tax exemptions. Often these difficulties result from congregations’ inability to provide banks and agencies with “organizational documents.” To address these problems and related Kingdom Hall ownership issues, we wish to provide the following updated direction.

Each body of elders should note the information contained in this letter—particularly concerning new direction on taking title to Kingdom Hall property. The instructions contained in the new *Congregation Organizational Documents Work Sheet* (S-128) will generally apply only to (1) new congregations, (2) congregations that do not have an existing corporation, and (3) congregations purchasing new Kingdom Hall property.

**Organizational documents:** Organizational documents describe how a corporation or association is organized and operated. Congregations with corporations already have such documents in the form of articles of incorporation and bylaws. Since *nontitleholding congregations and those using trustees to hold title* to real property do not have organizational documents, we are providing for their use sample articles of association and bylaws. These congregations are, by legal definition, “unincorporated associations.” Once adopted and signed, a congregation’s articles of association and bylaws should be kept in its file. If a congregation holds title to property by means of trustees, it should also keep its trustee documents up-to-date after adopting this additional document. Articles of association and bylaws should not be recorded with any government agency. However, a congregation’s articles of association and bylaws should be submitted with its bank account or exemption applications to satisfy the organizational document requirement.

**Purchasing new Kingdom Hall property:** Congregations should no longer use the trustee arrangement to take title to new Kingdom Hall properties. Instead, it is preferred that a corporation be formed and title be taken in the name of the corporation. As an exception, congregations that already hold title to a property by trustees may purchase an additional property in the names of its current trustees for purposes of expansion. Inquiries about other possible exceptions should be directed to the branch office. This information updates the instructions regarding acceptable forms of ownership in paragraphs 9 and 10 of *Information Regarding Ownership of Kingdom Halls* (TO-36). Congregations that already hold title to Kingdom Halls should not change their form of ownership without consulting the branch office.

**Banking:** Up until now, all congregations have been directed to open their bank accounts as “unincorporated associations,” whether or not they have corporations. The way that a new congregation opens its bank account(s) now depends on whether or not it has formed a corporation to take title to real property. If a new congregation has formed a corporation, it should open its bank account(s) as a *corporation*. A new congregation that does not intend to hold title to a Kingdom Hall property should open its bank account(s) as an *unincorporated association*. Congregations that have existing bank accounts are not being asked to make any changes to these accounts. The *Congregation Organizational Documents Work Sheet* (S-128) contains additional information on opening a bank account and obtaining an Employer Identification Number.

For your convenience, sample articles of association and bylaws and a sample banking resolution are available on the jw.org Web site under the “Documents” tab in the “Forms” section under the entry “Congregation Organizational Documents.” Additionally, the *Congregation Organizational Documents Work Sheet* (S-128), *Congregation Instructions for Obtaining an Employer Identification Number* (S-129), and *Corporation Instructions for Obtaining an Employer Identification Number* (S-130) are available in the “Forms” section of the site. *Instructions for Congregation Accounting* (S-27) will also be revised. If assistance is needed after reviewing this material, please contact your Regional Building Committee (RBC). The RBC’s Legal Department may be able to assess your situation and determine if the branch office should be contacted for further direction.

Please note the following questions that may arise in view of this updated direction:

**Q: Our congregation holds title by means of a corporation. Should we adopt articles of association and bylaws?**

**A:** No. Articles of association and bylaws are only for nontitleholding congregations and those that hold title using the trustee arrangement. Please note that for some types of corporations, corporate directors are called “trustees.”

**Q: Our congregation holds title using trustees. Should we form and transfer title to a corporation?**

**A:** No. We recommend that congregations not change their form of ownership for currently-owned real property unless there is a compelling legal reason to do so.

**Q: Our congregation is not having any problems with our existing bank account. Are we expected to provide documents to the bank?**

**A:** No. There is no need to provide your bank with any organizational documents, unless requested.

**Q: Our congregation has a corporation and we have an existing bank account opened as an unincorporated association. Should we close that bank account and open a new one using our corporation documents?**

**A:** No. The direction on opening bank accounts using corporation documents applies primarily to new congregations. The branch office does not wish to burden elders with opening new bank accounts when there are no problems with existing accounts. If an existing congregation with

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a corporation has good reason to open a new bank account, it may use its corporate documents to do so, assuming that the corporation's name is reasonably similar to the congregation's current name.

**Q: Our congregation will be opening a bank account as a corporation. Should we obtain an Employer Identification Number (EIN) in the corporation's name? Should we also have a second EIN as described in paragraphs 17 and 37 of *Information Regarding Ownership of Kingdom Halls* (TO-36)?**

**A:** If the corporation does not have an existing EIN or the Internal Revenue Service no longer has a record of it (generally after five years or so), a new EIN for the corporation should be obtained before opening a corporate bank account. There is no longer a need for the congregation to maintain a second EIN.

**Q: Why may our congregation's name appear truncated at times, for example, on the jw.org Web site?**

**A:** For space reasons and because of other technical limitations, at times the branch office may use an abbreviated form of the congregation's name. For example, on the jw.org Web site or in correspondence from the branch office, the Central Congregation of Jehovah's Witnesses, New York, New York, may be shown as "Central – New York NY." However, on any legal documents, the complete name should be used.

We very much appreciate your attention to these necessary changes. Please accept an expression of our warm Christian love.

Your brothers,

*Christian Congregation  
of Jehovah's Witnesses*

cc: Regional Building Committees  
Traveling overseers

PS to secretary:

This letter should be retained in the congregation permanent file of policy letters. You may wish to update the congregation copy of *Index to Letters for Bodies of Elders* (S-22) at this time as well.