



Handling Disaffiliation with the Methodist Church In Church Windows

(Rev 6/23)

Church Windows Project Helper Agreement Handling Disaffiliation with the United Methodist Church

If your church is disaffiliating from the United Methodist Church and establishing a new church, then you are starting a new church; a new entity.

To you, it may be the same people, but to everyone outside the walls of your church it is brand new. You will need to reintroduce yourself to everyone and let them know who you are.

In Church Windows, we recommend a new install for the new entity.

You will no longer use the original install of Church Windows as of the end date of the EIN for the first entity. You will then begin using the new install of Church Windows with the new EIN for the second entity. Keep an install with the 'old' data for historical purposes.

To end the first entity EIN in Church Windows, we can assist you with the following:

PAYROLL - Running your last Payroll, calculating your final 941 deposit, and submitting your Quarterly 941 Form to the Government.

NOTE: The IRS states that when an entity is terminated, W-2s should be issued to the employees. But W-2s for 2023 are only in the draft stage. We advise our customers to file for an extension for the W-2 filing, according to Rev. Proc. 96-57. We will assist you in completing and submitting the form for this purpose.

ACCOUNTING - Entering your final transactions for the first entity and reconciling your bank statements.

DONATIONS - Running your Donations Statements through the end of the first entity.

MEMBERSHIP - Cleanup may be needed. Perhaps persons should be archived/made inactive.

Any Payroll, Accounting or Donations data that is dated after the first entity's end date must be removed from the first entity in Church Windows and then reentered in the new install of the second entity.

To begin the second entity EIN in Church Windows, we will install a second Church Windows and assist with the data that begins with the new EIN Start date.

PAYROLL - we can strip out the payrolls of the first entity. Review of employee setup with new W4s and setting up transfer to Accounting.

ACCOUNTING - we can strip out transactions out of the first entity, and assist with cleanup of the chart of accounts, and opening of beginning balances.

DONATIONS - we can strip out donations of the first entity, and assist with giving account cleanup, pledge entry and setting up transfer to Accounting.

From a governmental and tax standpoint, you will need to establish your new entity as a religious 501(c)(3). Hopefully, the new main body of the organization has already done this and all the churches under this new main body will be able to use their umbrella. Each church may need:

- A new federal identification number (you will register as a withholding agent during this process)
- A new state identification number (you will want to look for a state business set up package for your state)
- If applicable new local or miscellaneous tax identification numbers for family leave, transit, or sick leave obligations
- New bank accounts with your new tax identification number
- New web addresses and emails
- Notify vendors of new entity
- File an extension for filing W-2s and 1099s for the old entity
- Change statutory agent for the church with the state

Project Helper is ready to help with the process. Our cost is \$249.00 to assist with the Disaffiliation from the United Methodist Church in Church Windows.

Signing this form indicates you would like our assistance handling the disaffiliation in Church Windows.

Signature

Date

- What is the date of your church's disaffiliation? _____
- What is your Church Windows Customer Number? _____
- What is the new Church Name? _____
- Phone number you may be reached? _____
- Email you may be reached? _____
- Dates you are available? _____

Please email the completed form to pam@churchwindows.com.