GLOBAL METHODIST CHURCH

IRS 501(c)(3) Group Exemption FAQ

What is 501(c)(3) status? A specific federal tax exemption designation granted by the IRS to non-profit organizations.

Does my church need to apply for 501(c)(3) status?
A church is automatically considered a 501(c)(3) tax-exempt organization and does not have to file with the IRS; however, official IRS recognition provides proof of non-profit status with an official letter and inclusion on the IRS Tax Exempt Organization Search web page. This recognition can enhance donor trust and may be required by some institutions, including state and local tax governments, vendors, and banks.

What Is an IRS Group Exemption Ruling?
An IRS group exemption ruling allows a denomination to obtain federal tax-exempt recognition for its eligible affiliated churches under a single group ruling. Rather than requiring each church to apply separately for recognition of its tax-exempt status, the denomination maintains a list of churches covered by its group exemption.

Why is establishing the group exemption important for the GMC?
Many churches were under a group exemption from their prior denomination, and without a GMC group exemption each church must apply individually to receive the benefits of official 501(c)(3) recognition from the IRS. Establishing and maintaining our group tax exemption is another way we can support our congregations and strengthen the connectional ministry of the Global Methodist Church.

What happens if my church already holds its own IRS determination letter recognizing its tax-exempt status?
Joining the group exemption means giving up that individual recognition. The IRS does not permit an organization to hold its own recognition of exemption and be included in a group ruling at the same time. Regardless of your decision to join, we ask that every church complete the form provided in the email indicating whether it wishes to be included and its current 501(c)(3) status. This helps us maintain accurate records for every church.

Why Is It Important to Respond Now?
The Global Methodist Church is preparing its initial group exemption submission, and we want to include as many eligible congregations as possible. We strongly encourage every church to submit the required information by December 20, 2026, so it can be included in our group exemption. While the Global Methodist Church can send updates to the IRS throughout the year, responding by the deadline will help your church avoid unnecessary delays in obtaining recognition under our denominational group exemption.

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What if my church already has an EIN and tax-exempt status? Do I need to join the IRS group exemption with the Global Methodist Church?

An Employer Identification Number (EIN) is your church's identification number with the IRS. It does not, by itself, establish IRS recognition of 501(c)(3) tax-exempt status. Churches are automatically considered 501(c)(3) tax-exempt organizations, but official IRS recognition comes from an IRS determination letter issued to your church specifically.

If your church's tax-exempt documentation is a confirmation letter from the Global Methodist Church, an IRS letter addressed to the Global Methodist Church as a whole, or an attorney's opinion letter, we strongly encourage your church to join. These documents were used to help churches establish their nonprofit status before the IRS reopened the group exemption process.

What Happens Next?

An email with a link to our IRS group exemption form was sent to the treasurer for each local church from churchconnect@globalmethodist.org on November 16, 2026. If the message does not appear in your inbox, please check your junk or spam folder. Once the form is completed by your administrator and then digitally signed and submitted by your designated signer, our denominational office will review the information and determine its eligibility for inclusion in the initial group exemption submission. Please understand that completing the form itself does not constitute IRS approval or guarantee inclusion. However, submitting accurate and complete information by the deadline is an essential step toward being included. The group exemption will not take effect until the IRS notifies the Global Methodist Church that our application has been approved. We will notify all participating churches once we receive approval.

Form Related Questions

What if I am unsure whether our church was included in another denomination's 501(c)(3) group exemption before joining the Global Methodist Church?

This information is collected for our records only. If you are uncertain whether your church was previously included in another denomination's group exemption, please select the second option: "Our church was not under another group exemption and has never received an IRS determination letter as an IRS 501(c)(3) tax-exempt organization." Selecting this option will not affect your church's eligibility to join the group ruling. However, if your church has received its own IRS determination letter, please select one of the options that refers to that letter.

What if I don't know the date of incorporation for my church?

The date of incorporation is the date your church was incorporated with your state. The easiest way to find it is through your state's Secretary of State website. Most states offer a free online business search where you can look up your church by its legal name and view the date of incorporation on file. If your church formed a new corporation when it joined the GMC, use that new date; if it amended its existing corporation, such as to change its name, the original date generally still applies. If you are unsure which date to use, we recommend confirming with a legal source, such as the attorney who assisted with your disaffiliation.

How do I know if our church's preschool is considered a private school?

Under IRS regulations (Treasury Regulation Section 1.170A-9(c)(1)), an organization is generally considered a school if its primary function is formal instruction, it normally maintains a regular faculty and curriculum, and it normally has a regularly enrolled body of students. Because each church's program is different, the Global Methodist Church cannot determine whether a particular preschool meets this definition, and we encourage each church to consult its own legal counsel or tax professional. Please note that joining the group exemption does not change whether your preschool is considered a school. If it is, your church is already required to follow the IRS racial nondiscrimination requirements under Revenue Procedure 75-50, including filing Form 5578 each year, and should indicate on the form that it operates a private school and upload a completed Form 5578.

Do I need to submit a signed document on church letterhead?

No. A separate signed document on church letterhead is not required. When your church's administrator completes the online form and your authorized signer signs it electronically, the required document is generated automatically. No further documentation is needed.