

The Shocking Church Tax That Could Have Cost Billions

The Treasury Department released new guidelines Monday that will help ease the parking tax burden on churches and non-profit organizations.

The guidelines show churches how to soften the blow of a 2017 tax provision that forces them and other historically tax-exempt groups to pay a 21 percent tax on some benefits they provide their employees, such as parking, transportation and other related benefits.

“Treasury is sensitive to the concerns of the tax-exempt community, and hopes this guidance can significantly limit the impact on nonprofit groups,” said Secretary Steven T. Mnuchin. “Treasury is offering tax-exempt organizations a roadmap for navigating their responsibilities. The guidance issued today aims to provide flexibility while minimizing the burden on nonprofit groups that provide employee parking.”

While many politicians celebrated the successful pass of the Tax Cuts and Jobs Act, experts said the parking lot tax provision would cost these churches billions of dollars.

“There are nearly 15 million employees that work in the United States for nonprofits—nearly 10 percent of the workforce—so that’s 15 million parking places. And conservatively, it’s going to cost the nonprofit community as a whole up to a billion dollars,” Dan Busby, president of the Evangelical Council for Financial Accountability (ECFA), told *CBN News*.

The new guidelines come after senators urged for the provision to be repealed.

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