

SAMPLE LICENSE

This certifies that _____ is a member of _____ church, in good and regular standing, and is held in high esteem by us. We believe him to have been called of God to the work of the Gospel ministry, and encourage him in the improvement of his gifts, by preaching the Gospel, as the Lord may give him opportunity. Our prayer is that Jesus Christ will endow him with all the needed gifts and crown his labors with abundant success.

Done by order of the church, this day _____, 20__.

The license shall be in force for _____ years from this date. (This line may be omitted.)

Pastor _____

Clerk _____

Church Name: _____

Some background information. This would need to be harmonized with the individual church's constitution and by-laws.

Guidelines for Licensing

Prior to granting a license, a church should establish policies regarding the licensing procedure.

1. A church may decide to grant a license to those who are preparing for a career as a pastor or missionary and are in the process of gaining an MDiv. or similar seminary degree.
2. A church may decide to grant a license to future pastors and missionaries and to those serving the church in music, in Christian education, youth, and church administration ministries.
3. A church should decide prior to granting a license what degree of theological knowledge the licensee should have before a license is granted.
4. A church should decide whether to grant a license for a specific period of time, i.e., 5 years or grant a license without an expiration date.

While an applicant for licensing in most cases would not have a seminary degree, the church should insist on evidence of a good understanding of evangelical theology and Converge church polity before a license is issued. In a formal interview with a candidate the church may use the Converge Worldwide Statement of Faith as a guideline for interview with the candidate. The purpose of the review would be to insure the candidate has a consistent understanding of his/her faith and is able to annunciate it with an acceptable degree of clarity. While the IRS does not concern itself with the question "Who May be Licensed?" the IRS nevertheless has established its own criteria of standards that must be met by one who is licensed and is claiming the tax considerations given to ministers. The 1997 Income Tax Guide states: "ministers are individuals who are duly ordained, commissioned or licensed by a religious body constituting a church or church denomination. They are given the authority to conduct religious worship, perform sacerdotal functions and administer ordinances or sacraments according to the prescribed tenets of practices of that church or denomination".

Dr Richard Hammar, author of Church Law and Tax Report 1998 Church and Clergy Tax Guide, after reviewing the IRS regulations regarding a minister's eligibility for special tax considerations states, "Who is a minister for federal tax purposes. The tax court ruled in 1987 that a minister is one who satisfies all five of the following factors:

1. Administers sacraments
2. Conducts religious worship
3. Management responsibility in a local church or religious denomination ("control, conduct or maintenance of a religious organization")
4. Ordained, commissioned or licensed
5. Considered to be a religious leader by one's church or denomination."

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In 1989 the tax court ruled that only the fourth factor is required (ordained, commissioned or licensed) and that a balancing test should be applied with respect to the remaining factors. This more flexible and enlightened test was ignored by the tax court in its most recent decision in 1993, in which it applied its more strict 1987 ruling.

The IRS, in its most recent rulings, applies the tax courts' 1987 test, requiring that all five factors apply for one to be considered a minister for federal tax purposes. In summary there are two conflicting definitions of the term minister, the tax courts' rigid 1987 decision (all five factors are required) or its more flexible 1989 decision".

In light of these developments a church should carefully review why it is granting a license and does the one seeking a license meet the government's requirements for ministerial tax consideration.

For the most recent information you may want to consult Dr. Richard Hammar's Church Law and Tax Report by going on-line at www.churchlawtoday.com.

WHAT IS A LICENSE TO PREACH THE GOSPEL?

The Difference Between Licensing and Ordination

A license to preach the Gospel is a form of temporary certification by the local church. Currently Baptist churches license unordained pastors so they can perform all the responsibilities of their office while they are seeking ordination. Since the license is a temporary step in preparation for ordination, it should be dated to expire after a limited period of time not to exceed three years. Lack of satisfactory progress toward ordination after a three year period may be an indication that the individual is not suited for the ordained ministry.

Licensing was begun early in American church history. There were few trained and ordained ministers in the early and expansion years of American history. "Lay" preachers often were the only leadership available to isolated and widely scattered churches. These "lay" preachers were given the right to preach, but were usually denied the privilege of administering the ordinances of baptism and the Lord's Supper and of performing weddings. Today federal and state laws recognize licensing as an alternative to ordination. A licensed minister of the Gospel receives all the governmental privileges and rights of an ordained minister. He must also be fully qualified to perform all the ecclesiastical duties of an ordained minister in that denomination. Since the need for "lay" preachers has passed and since the government confers such rights on a licensed minister, it is preferable for churches to reserve licensing for those individuals who are testing their qualifications for ministry prior to ordination. This will usually be an individual who appears to the church to meet all the standards for ordination except the probationary period of one year. Under no circumstances should a church license someone who is not a member of their church.

The licensure period provides opportunity for the church to be involved in the preparation for ordination. In cooperation with the District Executive Minister a plan for study can be developed to include readings, workshops, self-evaluation, consultations, and other activities. The ministerial license then becomes a time of testing, trial and development.