

Beyond the Doors, Mission Field Engagement

A Program of the Commission on Ethnic Ministries
Pacific Northwest Conference
United Methodist Church

Attachment Employee Status

General Information

Two classes of employees may be considered for this work. Please determine which class is appropriate for your project. Submittal of an application will be confirmation that the applicant is clear on tax status of the employee and is willing to administer the program. The descriptions below are not to be considered as legal or financial advice, but as information only. Applicants should research and determine the appropriate tax status of their employees.

The program requires that the applicant employ the Outreach Worker. All employee-related filings (Federal Form 941 and/or State L&I) are the responsibility of the applicant.

No Outreach Workers will be treated as independent contractors for purposes of this program.

Class One

Functioning in the role of spiritual leader or clergy

If the Outreach Worker is functioning as a spiritual leader or in the traditional roles of clergy (for example preaching, teaching, sacraments), then the Outreach Worker will likely be considered as clergy for tax purposes, whether the person is lay or clergy.

While still an employee of the applicant, the Outreach Worker in this category will file his/her quarterly estimate of taxes with the Internal Revenue Service, and will receive a W-2 for wages earned.

Class Two

Functioning as Employee

An Outreach Worker in this category functions under the guidance and supervision of the applicant. All Outreach Workers who are not functioning in the role of spiritual leader or clergy are considered regular employees of the applicant.

Outreach Workers in this class will have payroll taxes withheld and will be issued a W-2 at the end of the tax year.

The applicant will withhold all required payroll taxes and remit withheld taxes and employer portion of Social Security Taxes to the Internal Revenue Service. The applicant will incur the employer portion of Social Security Taxes (7.65% of gross pay) for employees in this class. This cost must be born by the applicant.