



OPEN BIBLE STANDARD CHURCHES OF T & T INC.

National Office

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SALARY ALLOWANCE AND OTHER BENEFITS POLICY

1. P.A.Y.E. Deductions and Remittance

Based on current tax laws it is the responsibility of the employer to ensure that the correct P.A.Y.E., Health Surcharge and NIS Payments are deducted from salaries and remitted on a timely basis i.e. the funds must reach the respective offices by the 15th of the following month. Failure to do that could result in the organization being made liable for the arrears and excessive penalties and interest. The Board of Inland Revenue also has legal avenues available to it to recover these funds. Any such eventuality can cost the organization financially and also in terms of its Christian witness, therefore **compliance must be deemed an absolute priority**. Unless a TD1 form approved by B.I.R. where necessary is filed, we are required to deduct tax without taking into account any deductions, consideration must also be given to the employee's Total Emolument Income (salary, wages or pension from all sources including taxable allowances and benefits in kind). Churches with only one taxable employee may contact the National Office for the use of its B.I.R. Employers' P.A.Y.E. number. It is more practical for churches with more than one taxable employee to apply for their own numbers.

Expenses incurred by the pastor in the performance of his/her duties may be reimbursed with the production of bills and/or receipts and must not be included in the salary records. These expenses such as literature subsidy (newspaper, magazines, books, periodicals etc.), telephone subsidy, gas/car maintenance for personal vehicle (insurance, tyres, minor repairs, battery etc) should be based on a reasonable percentage of total cost or a budgeted limit for the year.

2. Ministers' Salaries/Benefits

In accordance with our Constitution and Byelaws, it is the responsibility of the Board of Deacons of the local church excluding the Pastor, to determine the salary, gifts or offering to be given to the Senior Pastor, in accordance with the guidelines stipulated by the National Board. The Regional Superintendent and or the National Elder/Director shall be invited to assist in the determination. **Salaries shall be reviewed on a biennial basis and the church Treasurer shall see that these arrangements are carried out.** When adjusting salaries/benefits, the following are to be considered:

- (a) Church income/expenditure – current and recent past;
- (b) Longevity of the incumbent Pastor – length of service at the current church and overall ministry;
- (c) Last adjustment – of salary/allowance;
- (d) Comparative scales- Government/Government Authorities/other ministries;
- (e) Current projects being undertaken by the church;
- (f) Ministerial effectiveness of the incumbent Pastor – merit/competence/growth/stability/maturity/other;
- (g) Prioritizing the priorities;
- (h) Cash flow of the church – loans, mortgages, overdraft, etc.

The minimum salary of \$4,000.00 per month is to be paid to all pastors, and thereafter salaries are to be set in accordance with Table 'A'. The Regional Superintendent will assess the availability of each part-time pastor whose church is unable to pay the minimum salary on its own. The salary will then be pro-rated using the minimum salary as a base for a forty hour work week. **The National Administration is prepared to assist churches that are unable to afford the minimum salary, but this is subject to the church being able to be self-sufficient in a period of three years**, i.e. the ability of the church to be able to pay the pastor's salary and benefits in keeping with the performance targets established. Assistance from churches that can afford to help the National Office in this regard is encouraged and appreciated.

Table 'A'

CHURCH'S INCOME (Excluding WEC and Designated Funds)			SALARY ALLOWANCE	
MONTHLY		ANNUAL	MONTHLY	
MINIMUM	MAXIMUM		MINIMUM	MAXIMUM
-	\$ 2,000	\$ 24,000	-	\$ 4,000
\$ 2,000	\$ 4,000	\$ 48,000	\$ 4,000	\$ 4,000
\$ 4,000	\$ 6,400	\$ 76,800	\$ 4,000	\$ 4,000
\$ 6,400	\$ 9,600	\$ 115,200	\$ 4,000	\$ 4,000
\$ 9,600	\$ 15,500	\$ 186,000	\$ 4,000	\$ 7,200
\$ 15,500	\$ 25,000	\$ 300,000	\$ 5,500	\$ 8,000
\$ 25,000	\$ 40,000	\$ 480,000	\$ 7,500	\$ 9,000
\$ 40,000	\$ 65,000	\$ 780,000	\$ 8,500	\$ 11,500
\$ 65,000	\$ 120,000	\$ 1,440,000	\$ 10,000	\$ 12,500
\$ 120,000	\$ 190,000	\$ 2,280,000	\$ 12,000	\$ 13,500
\$ 190,000	\$ 275,000	\$ 3,300,000	\$ 13,000	\$ 15,000
\$ 275,000	\$ 300,000	\$ 3,600,000	\$ 14,000	\$ 16,500
\$ 300,000	\$ 450,000	\$ 5,400,000	\$ 15,500	\$ 18,000
Above \$ 450,000		Above \$5,400,000	\$ 18,000	\$ 95,000

3. Other Benefits

The Church administration should strive to ensure the enactment of the following benefits.

- (a) Pension – (group Annuity Plan or other arrangement approved by the National Board) – minimum church subsidy – 10% of salary;
- (b) Vacation (see attached copy of Vacation Policy);
- (c) Literature subsidy – (newspapers, magazines, books, periodicals etc);
- (d) Telephone subsidy – (100% rental and at least 75% of local calls) including use of cellular and pagers;
- (e) Use of church vehicle or gas/car maintenance for personal vehicle (insurance/tyres/minor repairs/battery);
- (f) Approved seminars – 100% approved local/selected international;
- (g) Health Insurance (group medical plan or other arrangement approved by the National Board) – assistance with major medical expenses;
- (h) Subsidized housing – rental/mortgage/use of manse;
- (i) Bonus payment – an end of year bonus payment shall be made to each pastor based on 5% of the excess of Income over Expenditure excluding Capital Expenditure and the income and expenditure of Designated Funds for the first year and for subsequent years 5% of the incremental increase of Income over Expenditure excluding Capital items and the income and expenditure of Designated Funds. Please note that this bonus is also taxable and should be computed with the assistance of the Finance/Audit Commission.

- (j) Savings towards a gratuity fund as per the current Policy on Gratuity for Senior Pastors of the Open Bible Standard Churches of Trinidad & Tobago Inc.

4. **Church Workers**

Each church based on its resources pays certain allowances to officers as determined by the Pastor and Board for regular duties being performed e.g. Treasurer. Also to be included are the Pastor's spouse who assists and is not paid. All such payments to spouse should be agreed to by the National Board of Directors via the Regional Superintendent and or the National Elder/Director.