

My first response to the Paper by Bob Harrison, Dated 7/23/05

Dear Brother Bob Harrison,

In this letter I want to directly share with you some of my responses as a result of reading your paper that brother Robert Grove sent to me on 4/25/05. Your paper was entitled **“Key Points Needing Clarification Regarding Religious Incorporation Concerns.”** The title to this paper is interesting because you use the term **“Religious Incorporation.”** Do you mean by this that the *Ministry Corporations* that have been formed are “Religious Corporations”?? I don’t know if you do or not because you never mention again in the rest of your paper that these Ministry Corporations are Religious Creations. If you are saying in this title that the Ministry Corporations are “Religious Corporations” then of course, at the outset, you must also recognize that these Ministry Corporations are **“man-made Religious Organizations,”** which organizations our ministers still repudiate to this very day (for specific documentation see my letters to brother Robert Grove, of 1/12/05 & 6/18/05). Now if this be the case, then your whole contention in your paper is repudiated by your very title.

A year or so ago Jim Maurer brought an interesting message to us here in the Fort Worth area entitled, “What do I believe?” Of course he went down through the general teachings that we have embraced through the years and numbered them “1” through “26.” These were not all that he believed, nor were they all properly and completely expressed, but this was a capsule form that we could look at and say to ourselves in response—“What do I believe?” It was a good message. One that interested me was number 25, *“I believe it (our meetings) must be ‘open’ for challenge, and the leaders must be open for challenge. If it is not ‘open’ it lacks its safety net.”* I thought this was well expressed, and this is the basis upon which I am “challenging” you and the things stated in your paper. There is a *“safety net”* for all of us and we should not want to ignore it. I regard you, and all of the other ministers in our association as “my ministers,” and I am proud of them, and I will follow them “as they follow Christ.” Please receive this criticism of your position as a genuine effort on my part to be of service to you and in turn to enhance your Christian service to others.

I am sure that it was your desire in your paper to reflect accurately the historic position we had taken back in 1961 & 2 regarding *“religious Incorporation”* with Caesar. However, I believe you failed to observe certain pertinent facts and therefore you did not accurately state the historic position. Consequently, your conclusions justifying the “Ministry Corporations” can not possibly be accurate and truthful. As you well know, when an engineer creates an equation to solve a problem, he had better get all the essential elements accurately or he will never get the right answer to the problem. Please be patient with me as I attempt to explain this, and I ask that you honestly examine the evidence I am going to place before you.

***What happened back in 1961 & 2 in our relationship to
The 501(c)(3) Tax Code***

In light of the representations that have been made to all our assemblies regarding our ministers “taking into consideration New Tax Laws instead of Old ones,” most people among us think that this 501(c)(3) Tax Code was something that came along later after the Tax case and that we had to adjust to it years later in order to comply with the laws of Caesar. Such is not the case. By reading the notes in the Judge’s decision (page 329) one would learn that this Code was

born right in the middle of brother Morey's contributions that were being denied by the IRS. This was in 1954. The 501(c)(3) Code was then "promulgated on June 26, 1959." This was well before the Tax Case trial in January of 1962. The Code was an important addition to the Tax Law of 1939 and was viewed by us as being a further *obstacle*, if not the **PRIMARY OBSTACLE**, in the path of obtaining exemption from tax deductions on contributions to our ministers at that time. The reason it was viewed as an obstacle was simply because it demanded that we form some kind of artificial, man-made, "**Religious Corporation**," with our own chosen "**name**" and "**bylaws**." Man-made religious organizations of any kind were, and should have been, anathema to us and to any Bible believing, God-fearing Christian. Therefore:

First of all, In the summer of 1961, prior to going to trial, we met in the office of the IRS lawyers and totally rejected the opportunity to form some kind of "Non-profit **Religious Incorporation**," including that of "Non-profit **Ministry Corporations**." This was specifically offered to us as "*the solution*" to our problem in our relationship to the IRS. It is also a fact that at this time it had been seven or eight years after the "1954, 501(c)(3) tax code had been instituted, and two years after it had been activated in the tax system. Therefore, this present offer to us to form "Ministries" in 1961 was legally understood as being under that 1954, 501(c)(3) Code.

Based upon our rejection of that so-called "solution" we went to trial and established what you called in your paper the "key issue," the "high ground," the "thrilling testimony," "timeless truth," "a marvelous achievement of humble men in a testimony before Caesar," etc., etc. In other words, *there never would have been such a testimony given had we not rejected the 501(c)(3) tax code offer to form a "Religious Ministry Corporation."*

* *Nowhere* in your paper do you even hint that this was the historical sequence of the facts and of our relationship to the 501(c)(3) Tax Code! Facts like this that are not placed in the equation will make it nearly impossible to arrive at proper conclusions.

Secondly, The very first document we submitted to the court after the "Interrogatories" is the "MEMORANDUM OF CONTENTIONS OF PLAINTIFFS." We immediately assert in this document that our contention, at the outset, is against the requirements of the "Internal Revenue Code of 1954," (the 501(c)(3)) with its requirements of forming some kind of "**A corporation...for religious**" purposes. This is found in the Tax book on pages 26,27 & 28. And Dalford Todd quotes nearly the whole of that Code as it relates to the issue before the court. Then in opposition to the requirements of that specific Code it is argued on pages 30 and 31 that we are already "organized" according to "His Word as our charter and Book of Rules," and our ministers are functioning perfectly well in that "organization,"

In other words, from the very beginning, we viewed our battle as being basically AGAINST the requirements of the 1954, 501(c)(3) Tax Code, as well as that Code of 1939.

* Again, this omission in your paper is cataclysmic to your conclusions. Virtually all the testimony during the two days of the trial is *prefaced* by this "Memorandum of Contentions of Plaintiffs," which "Contention" specifically rejects the "solution" of the 501(c)(3) Code.

Thirdly, After the trial the IRS lawyers submitted their "POST TRIAL BRIEF OF DEFENDANT," and again cite our reluctance to comply with the 1954 (501(c)(3)) Tax Code. They stated, "This leaves as the issue the following: Whether the payments to Maurice Johnson, Richard Bailey, Bob Thompson and James Cox were contributions or gifts to or for the use of

‘A **corporation**...organized and operated exclusively for **religious**, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals;’” (Pages 285 and 286)

In other words, they recognize that our battle is basically AGAINST the Tax Laws as expressed in the 1954, 501(c)(3) Code, and they are going to press it full strength.

Fourthly, As should be well known by this time, the judge positively did rule on the 1954, 501(c)(3) Tax Code issue. This is found in the Tax Book on pages 326, 327 and on page 329. On page 326 & 327 the judge quotes that code in its form at that time:

“1954 Code...1.501(c)(3)-1” (Page 326).

“Section 170 of the Internal Revenue Code of 1954...

A corporation...

Organized and operated exclusively for **religious**,
Charitable, scientific, literary, or educational purposes
Or for the prevention of cruelty to children or animals;” (Page 329).

And further states,

“Section 1. 501(c)(3)-1 of the Income tax regulations—1954 Code was promulgated on June 26, 1959...” (Page 329).

In this section the judge gives the reasons why this particular Law does not disqualify us from claiming tax exemptions. There were two reasons and a third observation—One, that particular law had not been promulgated at the time the contributions were made. Two, it is applicable in determining the eligibility to be certified as tax-exempt under 501, not in determining whether the organization qualifies as a beneficiary for deductible contributions under 170.

The Third Observation is actually very important in light of our modern trend to accumulate substantial funds, which is apparently different from our practice in 1961. The Judge said, “The regulation cited by the Government is obviously intended as a safeguard against the possibility that funds accumulated by an organization by reason of its tax-exempt status might, in the event of its dissolution, be used for purposes other than those to which it was dedicated. By analogy, it would seem a reasonable interpretation of Section 170 that an organization which is the beneficiary of deductible contributions should be organized and operated in such a manner as to prove some assurance that contributions made to further its purposes would not, in the event of its dissolution, be used for other purposes. **But, in the present case...The evidence at the trial established that the church operates in such a manner that its income is expended almost upon receipt in order to carry on its activities, and that there is no substantial accumulation either in the form of savings or physical assets...**” (Emphasis mine, JL.)

When I first heard of the ministers’ decision to create “Ministry Corporations,” I was told that it was in compliance with “New tax laws” that have arisen. I asked Robert what are these “New Laws” and was told by him the 1954, Code. That is ridiculous I thought, because that was the basic Code we rejected and went to court over! There is nothing “New” about it!! What is new, of course, is the apparent accumulation of funds.

Fifthly, In the final “**FINDING OF FACT, CONCLUSION OF LAW AND JUDGMENT,**” as recorded on pages 332 and 333 of the Tax book, we note the “**CONCLUSION OF LAW,**”

“Section 1.501 (c)(3)-1 of Treasury Regulations on Income Tax (1954)...

has no governing force...because it had not yet been promulgated...
and because by its terms it is applicable in determining the eligibility of
an organization to be certified as tax-exempt under the provisions of
Section 501 of the Internal revenue Code of 1954, not in determining
whether the organization qualifies as a beneficiary for deductible contributions
under Section 170 of the internal Revenue Code of 1954.”

“5. The payments made by plaintiffs to individuals during the years 1952,
1954 and 1955...*constitute contributions made to an association organized
and operated exclusively for religious purposes within the meaning and
contemplation of section 23 of the Internal Revenue Code of 1939
and Section 170 of the Internal revenue Code of 1954.*” (Emphasis mine.)

In other words, we qualify for tax exemption even under the Tax law of 1954, even though we refused to form man-made “Religious Ministry Corporations” under the 501 (c) (3) Code provision.

More importantly, we should realize that by this pronouncement of the Federal Judge, “CAESAR HAS SPOKEN!” The Federal Judge’s decision represents Caesar’s, the Government’s, decision. This should be properly understood as our “interface with Caesar in a collective mode of functioning,” as you, Bob, have effectively stated in your paper.

We took this judgment and laid it before all of the various IRS agents who later challenged our deductions. This happened many times, including my own case. We published this decision as widely as we could. We placed it in many libraries across the country, advertised it on the radio and in the newspapers, and by hand-out literature. We used it as our answer to sectarian Christians who tried to justify the creation of their corporations.

In addition, in “building upon this testimony,” we took careful counsel to accurately and meticulously keep our records of contributions to the ministry. We practiced giving yearly, semiyearly and even quarterly reports on the use of the funds put into our trust. When and additional laws came, such as that concerning Minister’s incomes, we wrote out our “Financial Policy and practice,” (see the copy I have included at the end of this letter). The men in the various assemblies signed those papers, and kept them on hand for the IRS if needed. We were ready to do anything the IRS demanded *except* build **man-made “Religious Corporations.”**

And now, brother Harrison, almost 40 years later, you and the other ministering brethren say you are going to “BUILD” on this testimony, and “not abandon this high ground,” as you state in your paper! And just how are you going to do that? Why, of course, by forming “Ministry Religious Corporations” under the 501(c)(3) Tax Code!?!?!? Brother Bob, I hope you can see the obvious contradiction here! Either you didn’t read the Tax Case carefully, or else you simply plunged ahead ignoring the “Religious” aspect of these Corporations, and therefore, without the leadership of the Holy Spirit. What you have done, in fact, is to totally destroy our testimony in this area of witness, to the government, to sectarian brethren, both saved and unsaved, and to the worldlings that are interested.

Please notice the accompanying chart that graphically demonstrates the reality. * As a result of the 1961 testimony, which came by our rejection of the 501(c)(3) Code offer, the government saw **“The Church which is Christ’s body.”** * As a result of the 1999 action of our

ministering brethren, the testimony of the Church of Jesus Christ, as manifest before the government, is **G-O-N-E**; IT HAS EVAPORATED, and in its place is the “artificial,” man-made “Religious Corporations,” called “Ministries.”

And you are expecting your brethren, or at least knowledgeable brethren, to believe that the Holy Spirit led you to do this? And, sad to say, most of them fully trust you, and should trust you, and therefore, don’t even question your actions. Of course, you must realize, godly, conscientious brethren will question your actions. You should invite them to do so!

**In Summary, The Historical and Written Facts
Demonstrate Conclusively that-**

- 1.) The propaganda that “we considered New Laws not Old LAWS” is false! The saints in 1961 & 2 gave full consideration to the New LAWS, especially the 501(c)(3) proposal of forming “Ministry Corporations.”
- 2.) And in **Biblical** consistency rejected it as any kind of a “solution.” As states hundreds of time over the radio, “We are not building anything but Christian lives, and homes, and the church which is Christ’s body.” To build “Ministry Corporations” in the realm of “Religion” is contrary to the Word of God! II Tim. 3:16,17. (It could not possibly be a “good work.”)
- 3.) The Tax Case trial was **prefaced** by our “MEMORANDUM OF CONTENTIONS...” which openly spelled out our opposition to the 1954, 501(c)(3) Tax Code.
- 4.) The lawyers for the IRS tried to prove our disqualification from tax exemption on the basis of the 1954, 501(c)(3) Tax Code.
- 5.) The federal Judge spoke on CAESAR’S behalf, in a “Judgment” in our favor, even in light of the 1954, 501(c)(3) Tax Code.
- 6.) In the final “FINDINGS OF FACT, CONCLUSION OF LAW AND JUDGMENT” **the judgment was issued that** we were in compliance with Caesar even under Section 170 of the Internal revenue Code of 1954.
- 7.) Every accusation listed in your paper by brethren in Virginia (and I don’t know who they are) is actually true, Bob, and you have only tried to argue around them! In fact, Bob, I believe you have maligned brethren who are conscientious about these things. In light of the above facts I submit to you the following:
 - 1.) This action has “UNDONE” our testimony in this area. It did NOT “build” on it; it destroyed it.
 - 2.) The use of a 501(c)(3) Code to form “**Religious** Organizations” could NOT possibly be godly conduct.”
 - 3.) When Caesar tells us to create something man-made in “Religion” Caesar encroaches upon “God’s domain,” according to conscientious, Bible believing Christians.
 - 4.) This action, in a carnal way, divides the “ministry” from the “body (corporation) of Christ” to form other “bodies (corporations)” that are positively NOT of Christ!
 - 5.) Since this action is clearly in the realm of “Religion” it does constitute a form of idolatry. A “Church Corporation: is a *big* Idol! A “Ministry Corporation”

is a *little* Idol! **Both of them stink. Especially ours, because we know better!**

- 6.) Following Billy graham in renting a hall is nothing. Following Billy Graham in creating a man-made “*Religious* Organization” is sin!
- 7.) To “build again that which we destroyed” (Gal. 2:18) is sin!
- 8.) The creation of *confusion* in monumental. See my previous letters to Robert!
- 9.) The use of other names in “Religious Organizations,” and “in the work of the Lord,” is clearly forbidden in the Word of God. **That is basic truth!**
- 10.) **The attempts to justify this carnality amounts to the worst sin of all!**

And then you continue to assert that the use of the 501(c)(3) Tax Code was “**godly conduct,**” and “**a bold stance,**” and even “**a courageous move**” by the ministering brethren today. You go so far as to assert on page 6 that “saints are commanded by God to obey these rules (the 501(c)(3) Tax Code).” And you conclude on page 8, “*We have affirmed the key issue of 1961. We have built upon this foundation.*” (*Emphasis mine.*)

Whereas, in reality, you **reversed it**, **compromised it**, and **effectively destroyed it!**

It is my prayer to God that you could see the truth and would take action to reverse the procedure back in the right direction.

Your brother in Christ,

Jack W. Langford

Copies to John Morey
And Robert Grove

Attachment # 1.

INITIAL DRAFT

FINANCIAL POLICY AND PRACTISE

We, the undersigned, are members of the church of the Lord Jesus Christ. The only biblical name of this church is “Christ.” See I Corinthians 12:12,13. It is, however, variously described as “the church which is His (Christ’s) body (Eph. 1:22,23), “the church of God, which He has purchased with His blood” (Acts 20:28), “the house of God, which is the church of the living God’ (I Timothy 3:15), etc. We choose no identifying name for our spiritual life, work, walk and worship other than that of the Lord Jesus Christ (Colossians 3:17), but we accept all biblical descriptions of the corporate entity of which we are part (the body of Christ) as applicable to us in our Christian endeavor. We believe that we and all true believers in Christ have been incorporated into this one true church, and we steadfastly refuse to form a substitute, supplemental, unbiblical incorporation of our own devising; nor will we join one which other fallible human beings have instituted. We are told in the inspired Scriptures that “there is one body”—one corporation, or church—(Eph. 4:4) that God is building.

In spite of our refusal to denominate ourselves with a name other than “Christ,” and in spite of our refusal to accept a document other than the Holy Bible as our charter, constitution, by-laws and guiding instrument, we have been recognized and acknowledged by our Federal Government as a “non-profit religious or charitable” organized association of persons within the meaning of the Internal Revenue Code. This was done in the case of Morey vs. Riddell, 205 Federal Supplement 918. This federal Circuit Court judgment has been the ruling instrument by which we have been granted a tax-exempt status recognized and accepted nationwide by our Internal revenue Service.

As those who accept the rule and guidance of the Holy Scriptures, we desire to honor the command of the Lord Jesus found in Matthew 22:21, “Render therefore unto Caesar the things which are Caesar’s; and unto God the things that are God’s.” Also, the commands of Romans 13:1-7, which include, “Render therefore to all their dues: tribute to whom tribute is due; custom to whom custom; fear to whom fear; honor to whom honor,” (v.7); and, as recorded in II Corinthians 8:21, “Providing for honest things, not only in the sight of the Lord, but also in the sight of men.”

We believe that we have, by commonly understood practice, obeyed the commands of God and our Government during the years of our association. It has been brought to our attention, however, that there is a technical specification by our Internal Revenue Service requiring advance written authorization for ordained ministers to exclude from their taxable income the cost for renting or purchasing their dwelling and for utilities, furnishings, and repairs and maintenance of the dwelling and attached garage, sidewalks, front and back yards. We wish to satisfy this governmental requirement and remove all question as to the right of our ministers to avail themselves of this provision for reducing the amount of taxes they pay.

The Bible teaches that ministers of Christ are not to be “hirelings” whose conduct and preaching are primarily determined by the dictates of human boards, bishops or congregations. Ministers who are called and ordained of God are first of all, and primarily, responsible to God. Consequently, we do not “call” or “hire” men to minister to us, nor do we tell them what the

