

Honorariums to Foreign Nationals: Frequently Asked Questions

Are churches allowed to compensate visiting foreign nationals who speak at their church if they are not authorized to work in the United States? There is no simple answer to this question, but information based on federal employment and immigration laws is provided below to help navigate this complex issue.

Can a speaker visiting from another country be compensated?

Foreign nationals visiting speakers may be compensated as outlined by Church Law and Tax if the minister is a lawful permanent resident (any category of immigrant visa) and holds a permanent resident card (“green card”). Such persons generally can live and work permanently in the United States without limitation.

If they meet the above criteria, are there any requirements for recognizing this honorarium to the speaker?

Yes. Prior to payment, ask the visiting speaker to complete a W-9 form (available on the [Foursquare administrative toolkit](#) or [IRS website](#)). If the payment to the speaker is \$600 or more in a calendar year, the church should issue a 1099-Misc to report the payment to the individual and the IRS.

What about a visiting speaker who does not meet the criteria above; may we give a love gift or some sort of payment to the speaker?

If money is given for guest speaking, the IRS considers this compensation regardless of how you think or refer to the money given (love gift, blessing, etc.). The tax implications of paying a foreign national that do not meet the above criteria are beyond the local church. Continue reading for other possible options.

Can the speaker be reimbursed for expenses?

Yes. The IRS does allow reimbursement for reasonable expenses while speaking at the church. The church may pay the speaker’s plane ticket, hotel, meals, transportation, and other incidental expenses while speaking at the church. This is reimbursement for the pastor’s expenses and not for additional family members who are only traveling with the pastor. The church may pay for these expenses or may reimburse the pastor after receiving receipts.

Could we give the speaker a per diem rather than reimbursing for expenses?

Yes. A federal per diem rate is an allowance set by the federal government for expenses incurred with traveling for business, such as hotels, meals, and incidental expenses. Receipts are not required when using a federal per diem rate. Federal per diem can also be used for employees. For more information on federal per diem rates, see <https://www.gsa.gov/travel/plan-book/per-diem-rates>.

If payment can’t be made to the minister, may a one-time gift to the visiting speaker’s ministry be made?

Yes, this may be possible. Please consult your district office.

How does the grant agreement work?

The church making the grant, the “grantor,” enters into an agreement with the receiving church, the “grantee.” The grantor outlines the purpose for which the funds may be used in the agreement. The grantee spends funds according to the grant purpose, submits receipts to the grantor and the grantor disburses funds to the grantee.

Is there additional work involved with the grant agreement?

The grantor will need receipts for all the expenditures prior to disbursing funds to the grantee. Upon receiving receipts, the IRS requires the grantor to compare the vendors against the terrorist watch list. Even if the grantee’s church made payment to the pastor, the grantor church needs to run the pastor’s name through the databases below.

1. treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx
2. <https://sanctionssearch.ofac.treas.gov>
3. treasury.gov/about/organizational-structure/offices/Pages/Office-of-Foreign-Assets-Control.aspx

How do I obtain the grant document or receive more information?

For the grant document or for further information, please contact your district office.