

Louisiana Baptist Convention Group Exemption Letter (GEL) Initiative

On October 29, 2026, the Louisiana Baptist Convention will mail a Letter and Agreement to Participate in the LBC Group Exemption Letter (see attached for Letter & Agreement) to approximately 1,145 churches in response to new IRS requirements under Revenue Procedure 2026-8. These rules require the LBC to obtain authorization from churches that wish to be included under the Convention's Group Exemption Letter. To comply with these requirements, churches are being asked to review and return an Agreement to Participate by November 30, 2026. The LBC must maintain an accurate list of covered churches by January 22, 2027. Our objective is simply to comply with IRS requirements and preserve this benefit for churches that choose to participate. Nothing in this process changes the autonomy of the local church or its relationship with the Louisiana Baptist Convention.

To avoid unnecessary confusion, approximately 350 churches, that have not contributed to Louisiana Baptists during the past two years, will not receive the initial letter. Once messengers at the annual meeting vote regarding the new governing documents, then the appropriate letter will be sent to the remaining 350+ churches.

Key Messages

- The IRS has changed the requirements for Group Exemption Letters.
- The LBC is working to comply with those requirements.
- Churches must authorize inclusion under the Group Exemption Letter.
- The Agreement serves as that authorization.
- The LBC is not changing Baptist polity or local church autonomy.
- Churches that do not wish to be included must obtain their own 501(c)(3) determination letter or be covered by another organization's Group Exemption Letter.
- The LBC does not intend to file Form 15644 with the IRS listing churches included under our Group Exemption Letter at this time.
- Churches that are not included by the deadline may be subject to future IRS procedures and requirements for inclusion or reinstatement, which could involve additional forms, documentation, and administrative requirements.

Questions That May Come Up

Louisiana Baptist Convention Group Exemption Letter (GEL)

Why is the Louisiana Baptist Convention requesting this information now?

The IRS issued new procedures in **Revenue Procedure 2026-8** that require organizations holding a Group Exemption Letter to maintain updated information and documentation regarding the organizations covered under the exemption.

The LBC must identify which churches wish to continue participating in the Group Exemption Letter and obtain appropriate authorization from those churches.

Is the LBC attempting to exercise authority over local churches?

No. Nothing in the new IRS requirements changes Baptist polity or the autonomy of the local church.

The IRS requires documentation for participation in the Group Exemption Letter. The information requested is consistent with information already publicly available and required in the LBC Articles of Incorporation and the qualifications for participation outlined in the Agreement to Participate.

Why does the church need to sign an authorization?

Section 4.06 of Revenue Procedure 2026-8 requires a central organization to obtain authorization from a subordinate organization before including that organization in a Group Exemption Letter. As a result, the LBC must have documentation demonstrating that a church has authorized the Convention to include it under the Group Exemption Letter.

The signed Agreement to Participate serves as that authorization.

Who is considered an Authorized Church Representative to sign?

The authorized church representative is determined by the church.

What happens if our church does not return the Agreement?

If the LBC does not receive authorization from a church, the church cannot be included on the list of covered churches submitted and maintained under the Group Exemption Letter. We are asking for the Agreement to be returned by **November 30, 2026**.

The IRS transition period ends on **January 22, 2027**, and the LBC must have a finalized list of participating churches by that date.

Without the required authorization, the church may no longer be included under the LBC Group Exemption Letter.

Why is the LBC requesting forms by November 30, 2026?

January 22, 2027 is a hard IRS deadline associated with the transition provisions of Revenue Procedure 2026-8. The Convention needs sufficient time to:

- Receive completed agreements
- Resolve questions
- Review responses
- Finalize records

Waiting until the IRS deadline would not provide adequate time to complete these responsibilities.

What if our church misses the deadline?

If a church is not included among the churches covered by the Group Exemption Letter after the IRS transition period, and it desires to be included in the GEL, the church will not be grandfathered in under the LBC GEL and will need to apply under the new stricter IRS guidelines in effect after Jan 22, 2027.

Will the LBC file Form 15644 (list of churches) with the IRS?

No. The current intent of the Louisiana Baptist Convention is **not to file Form 15644 or similar filings** with the IRS regarding our churches.

Is participation in the Group Exemption Letter required?

No. Participation is completely voluntary.

A church may choose not to participate in the LBC Group Exemption Letter and may instead seek its own IRS recognition of exemption or be included under someone else's Group Exemption Letter. The Agreement expressly acknowledges that option. This is a service the LBC is willing to undergo to relieve the church of the administrative burden of obtaining and maintaining their own exemption letter.

Does this affect our membership in the Louisiana Baptist Convention?

No. The Agreement concerns participation in the Group Exemption Letter.

What happens if a church answers “No” to one or more of the conditions a–e?

The church will not be eligible for inclusion in the LBC Group Exemption Letter and must obtain its own IRS recognition of exemption or be covered under another Group Exemption Letter.

Does answering “No” affect a church's cooperating status? No. The church's cooperative status with LBC is independent of their participation in the Group Exemption Letter.

What information is the LBC collecting?

The Agreement primarily documents:

- The church's desire to participate
- Authorization for inclusion in the Group Exemption Letter
- Confirmation of eligibility requirements
- Basic identifying information
- Contact information for future notifications

What are the benefits of remaining under the Group Exemption Letter?

Participation allows a qualifying church to continue operating under the LBC's IRS Group Exemption Letter rather than obtaining and maintaining its own separate IRS determination process. The Group Exemption has been available to participating Louisiana Baptist churches since 1972 and helps reduce administrative burdens for churches.

What should churches do right now?

1. Review the letter and Agreement.
2. Determine whether the church wishes to continue participating in the GEL.
3. Have an authorized church representative sign the Agreement.
4. Return the completed form as soon as possible.
5. Contact LBC if there are questions.

Suggested Closing Statement

"The IRS has changed the rules governing Group Exemption Letters. The Louisiana Baptist Convention is simply seeking the authorization and information now required by Revenue Procedure 2026-8 so that churches wishing to remain under the Group Exemption Letter may continue to do so. We are not changing Baptist polity, we are not seeking authority over local churches, and we are not requesting confidential church information. We are simply working to comply with IRS requirements and preserve this benefit for churches that wish to participate."