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**State Supreme Court Hears
Arguments on Tax Case**

NASHVILLE (BP)--The final judicial step of a tax case which has been in contention since 1969 was taken here when the Tennessee Supreme Court heard arguments from attorneys representing the Southern Baptist Sunday School Board, the Methodist Publishing House, and the Metropolitan Nashville tax assessor.

Attorneys were reported by the Nashville Tennessean to be in agreement that "the lawsuit is a test case for determining whether--and to what extent--religious publishing houses may be exempted from local property taxation."

In 1969, the Metropolitan Nashville tax assessor placed a new assessment on the Sunday School Board and the Nashville-based Methodist Publishing House.

The appeal to the state Supreme Court was taken after the issue was not satisfactorily decided by the metropolitan and state boards of equalization or the Chancery Court and state Court of Appeals. Rulings of the lower bodies were appealed by both the publishing houses and the metropolitan assessor.

The central point at issue is the interpretation of the Tennessee law which provides exemption for "the real estate owned by any religious, charitable, scientific, or educational institution occupied by such institution or its officers exclusively for carrying out the purposes for which the institution was created or for which it exists."

The Baptist and Methodist cases were heard separately before tax boards and lower courts, but were combined for oral argument before the state Supreme Court.

Attorneys for the publishing houses maintained that tax exemption should be upheld for all real and personal property owned by the agencies and used for purely religious purposes.

The attorney for the metropolitan tax assessor said that the two organizations had failed to show that any portion of their property is being used "purely and exclusively for religious purposes."

Counsel for the Sunday School Board pointed out that the State Supreme Court had ruled in 1962 that most of the property was exempt and argued that the law is still the same.

The metropolitan attorney claimed that there was no reason why the publishing houses should be exempt from taxation.

The Sunday School Board has, according to its executive secretary-treasurer, James L. Sullivan, paid property tax on all properties it owns which are not used for activities related to the charter purposes of the institution since its founding in 1891.

No date has been given for the Supreme Court to hand down an opinion in the case.
(Prepared by BSSB Bureau)

SBC Foundation Trust Corpus
Passes \$14 Million Milepost

NASHVILLE (BP)--Observing its 25th anniversary, the Southern Baptist Foundation here experienced the "greatest, most productive year" in its history, executive secretary Kendall Berry told members of the Board of Directors in annual session here.

For the first time, market value of the total trust corpus administered by the foundation for the benefit of Southern Baptist causes and annuitants under contract passed the \$14 million mark, Berry reported.

Book value of the total trust corpus at the end of the fiscal year Sept. 30 was \$13,884,232, an increase of \$2.2 million or almost double the previous record increase in total trust corpus for any one year.

Calling it the most productive year in the Foundation's history, Berry noted that the foundation received \$3.2 million in cash and security for investment plus appreciation; and income collections of \$653,303 exclusive of any capital gains, another record amount. There were also record withdrawals by the SBC agencies, he noted.

"This was phenomenal growth during the past year considering the unsettled economic conditions that exist throughout the nation and world today," Berry told the directors in reviewing the Foundation's silver anniversary year.

Berry added that the year 1972 was outstanding in several other way, including greater utilization of its services by individuals wanting help in perfecting wills and establishing perpetual trusts, as well as by Southern Baptist Convention agencies in the investments of their endowment and reserve funds.

Though much progress has been made, Berry said he was disappointed that there has not been more cooperation among all SBC agencies and state convention foundations, and that the SBC Foundation is prohibited by convention policy from promoting and seeking endowments and trust funds to benefit Baptist causes.

"If Southern Baptist Foundation could receive the same cooperation from the Southern Baptist Convention that the Baptist Foundation of Texas receives from the Baptist General Convention of Texas as well as other Baptist agencies and institutions in that state, the Southern Baptist Foundation could be a \$100 million foundation almost overnight," he said.

"We believe eventually Baptists are going to awaken to the tremendous potential of Southern Baptist Foundation and what it can mean to the on-going of the kingdom of God through this denomination," he said.

"We are convinced that thousands of would-be donors with millions of dollars are being neglected--donors who are anxious to invest in the advancement of Christianity... We are depriving these donors the privileges and blessings for which they hunger, as well as holding back added support to the various causes which so badly need more financial assistance," Berry said.

He called for three things to strengthen the work of the foundation: (1) the privilege of going out into the convention and actively offering the services of the foundation to all who need them; (2) the full support of every other SBC agency in using the services of the Foundation; and (3) the full backing and support of every member of the board of directors.

Mrs. E.W. Bess Jr., administrative assistant for the Foundation, reviewed for the directors the financial report, explaining each of the funds which the foundation administers.

She pointed out that the general fund of the foundation, largest of the funds administered and invested by the agency, reached a total of \$10,208,227 in 1972, earning an average rate of return of 5.13 per cent during the year.

As an example of the type investment in the general fund, she cited the "Opdyke Fund" created in 1927 and transferred to the foundation in 1948 with income from the trust to go to scholarships for mountain people in memory of Dorothea Van Deusen Opdyke.

Last year, the Opdyke fund earned an average rate of return of 7.4 per cent. Since 1948, when the fund came to the foundation with a book value of \$212,911, the Opdyke fund has earned interest for scholarships totalling \$354,541, or more than double the amount of the total trust corpus, she pointed out.

In addition to the general fund, Mrs. Bess noted the foundation's experience with the annuity funds has been excellent, with a 13 per cent growth in the fund in addition to meeting all contracts of individuals.

One family has 33 different annuities, many of them for small amounts, earning interest in perpetuity to benefit the annuitant as long as he or she lives, and providing a perpetual trust fund to benefit some Baptist cause after death.

She paid special tribute to the late T.L. Holcomb, executive secretary of the foundation from 1953-56, who believed so much in the foundation that he established an annuity for his mother, who was 90 at the time, and trusts for every other member of his family, including his three grandchildren. Holcomb, who was executive secretary of the SBC Sunday School Board before assuming the foundation post, died Sept. 13, 1972.

In addition to the general fund and the annuity fund, the foundation also administers other trust funds for several SBC agencies on a short and long-term basis.

In outlining growth in the agency funds, Mrs. Bess cited as an example the funds administered for the SBC Executive Committee, which last year earned an average rate of return of 8.01 per cent. During the last 10 years, income earned on Executive Committee funds administered by the foundation has more than doubled the income earned 10 years ago, she noted.

Berry said that in many ways, 1972 was the best year in the foundation's 25-year history.

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Foundation Re-elects
Aman as Chairman

12/7/72

NASHVILLE (BP)--The Southern Baptist Foundation Board of Directors re-elected Stirton Oman, a Nashville construction company executive, as its chairman.

The board, in annual session, also re-elected Nashville businessman L.B. Stevens as vice president, and banker John O. Ellis as secretary.

Also re-elected were Kendall Berry, executive secretary-treasurer; and Mrs. E. W. Bess Jr., administrative assistant.

During the board meeting, one board member, Glenn Rainey of Jackson, Tenn., rose just before adjournment to pay tribute to the officers, saying "There is not an agency in the Southern Baptist Convention that could hire these four men (Oman, Stevens, Ellis and Berry)."

Tribute was also paid to members of the investment and executive committees, which advise the foundation on its investments.

Elected to the executive committee were Oman, Stevens, Ellis, G. Frank Cole, Ernest J. Moench, G. Warren Gregory, and Robert M. Gilliam all of Nashville; Guy W. Rutland Jr., of Atlanta; R. Paul Henry of Tulsa, Okla.; Walton N. Smith of Clarksville, Tenn.; and Glenn Rainey of Jackson, Tenn.

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SBC Cooperative Program
Gifts Stay at 1971 Level

NASHVILLE (BP)--Contributions to world missions through the Southern Baptist Convention's Cooperative Program unified budget have stayed at virtually the same level as 1971 during the first two months of the convention's fiscal year.

A financial report from the SBC Executive Committee disclosed that an 8.32 per cent decrease in Cooperative Program giving for the month of November offset an 8.7 per cent increase for the month of October, keeping the budget receipts of the 1971 level.

During the first two months of the fiscal year, Southern Baptists have given \$5,037,267 to world missions through the Cooperative Program unified budget, an increase of \$5,046 or one-tenth of one per cent (.10%).

During the month of November, the denomination received \$2.3 million through the Cooperative Program, a decrease of \$212,267 or 8.32 per cent.

John H. Williams, financial planning secretary for the SBC Executive Committee, attributed the decrease for November to the fact that several states sent in a good portion of their November gifts during October; and that one state reached its basic budget in November going into a so-called "advance section" which only provided funds for state causes rather than SBC causes.

Several states during October, when Cooperative Program receipts were up 8.70 per cent, gave \$100,000 more during the month of October than they did in November.

In addition to the \$5 million in Cooperative Program gifts, Southern Baptists have also contributed \$609,816 to specific designated world mission causes during the year, an increase of \$109,778 or 21.9 per cent over designated gifts for the comparable two months of 1971.

The combined grand total, Cooperative Program plus designated gifts, reached \$5.6 million for the two month period, an increase of \$114,824 or 2.08 per cent for the year.

Amounts included in the monthly financial report reflect only contributions to Southern Baptist Convention nation wide causes, and do not include state and local mission gifts by Southern Baptists.



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