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83-5

IRS To Revoke Ministers'
Doubl Break For Housing

By Larry Chesser

WASHINGTON (BP)--Ministers buying their own houses will no longer be permitted th double ben fit of a tax-exempt housing allowance plus tax deductions for mortgage interest and property taxes under a new Internal Revenue Service ruling.

The new ruling, set to take effect no later than June 30, 1983, disallows ministers a federal income tax deduction for any portion of mortgage interest and real estate taxes for which they have received a tax-exempt housing allowance. In cases where the housing expenses are greater than the housing allowance involved, a portion of the interest and taxes will remain deductible.

The IRS action revokes a 1962 revenue ruling which specifically permitted such deductions even though the law also entitled ministers to a housing allowance exclusion.

Revenue rulings are issued by IRS to provide administrative solutions to problems encountered in interpreting and applying tax laws consistently in individual cases. Such rulings may be overruled by Congress or by future administrative review and revision.

Based on a section of the IRS code designed to prohibit double tax benefits, the new ruling also bars veterans and other students from deducting education expenses when they have received tax-exempt veterans benefits or scholarships to pay those education costs.

Explaining the stark reversal of IRS position, a spokesman for the nation's tax-collecting agency said the 1962 ruling was an "interpretation of how IRS saw the law at that time."

Since then, the spokesman said, individual cases where IRS has disallowed double benefit deductions have accumulated and the new ruling represents an effort to "be consistent" in its application and interpretation of the law which bars double tax breaks.

Specifically, the law (Section 265 of the IRS code) disallows normally deductible expenses for which a taxpayer has received tax-exempt income.

The IRS spokesman also pointed to court cases where IRS application of Section 265's ban on double benefits has been upheld.

In announcing the revenue ruling, an IRS publication cited a U.S. Supreme Court decision that the Internal Revenue code "should not be interpreted to allow . . . 'the practical equivalent of double deductions' . . . absent a clear declaration of intent by Congress."

Although the spokesman said it would be "risky" to predict IRS would never return to its former interpretation of the law, he emphasized the new ruling is based on a thorough review of congressional intent in writing Section 265.

For ministers, the new ruling will take effect at the end of their current contract year, or by June 30, whichever comes first.

HMB Annie Armstrong
Gifts Top \$20 Million

ATLANTA (BP)--For the first time, Southern Baptists in 1982 gave more than \$20 million through the Annie Armstrong Easter Offering for Home Missions, even though contributions were about \$1.25 million short of the goal, HMB directors were told.

"We're extremely grateful that in a year of economic recession, Southern Baptists have given sacrificially because they care so deeply about winning America to Christ," said HMB President William G. Tanner.

Final unofficial tally of the gifts indicated \$20,709,206 was given in 1982, Tanner said. The total is 94 percent of the \$22 million goal, and an increase of 11.7 percent over the \$18.5 million given in 1981.

In major actions, the HMB Executive Committee appointed 16 new missionaries and approved 28 for mission pastoral aid.

Elected to a new position as assistant director of the special mission ministries department in charge of adult mission groups and construction teams was Mike Bailey, 32, pastor of Pine Grove Baptist Church in Camp Hill, Ala. Bailey will also be responsible for SPOTS (Special Projects Other Than Summer).

Bailey, a former construction contractor, will succeed Bill Wilson who retired Dec. 31 as a national consultant in charge of adult groups and construction teams.

Don Hammonds, director of the department, told HMB directors that teams enlisted by Wilson in the last two years have built 71 new churches and remodeled or renovated dozens of others.

The Executive Committee also approved early retirement for Walker L. Knight, director of the editorial department for 23 years, who is planning to start a new national publication dealing with SBC issues. Knight, 58, retires Feb. 28, 1983.

To assist state conventions in ministering to needs caused by recent disasters, disaster relief funds were sent last month to Hawaii, Missouri and Arkansas. Hawaii received \$6,000 to provide food and repair damages in Kauai caused by a hurricane; and Missouri and Arkansas received \$6,500 and \$8,000 after tornadoes and floods.

In a special report to the board's missions ministries committee, Ed Lilly, director of the Baptist Rescue Mission in New Orleans, described the plight of the unemployed and hungry who have no place to sleep, saying needs are critical this winter.

Last year, the New Orleans rescue mission ministered to the needs of 104,000 persons, serving 146,000 hot meals and providing lodging to an average of 246 persons per night.

Since 1927, the New Orleans Rescue Mission supported by the Home Mission Board has ministered to an estimated 3.5 to 4 million people, said Lilly.

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Newton To Direct News
For Amsterdam '83

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1/12/83

ATLANTA (BP)--Jim Newton, editor of news and information services for the SBC Home Mission Board, has been named news director for Amsterdam '83, an international conference on evangelism sponsored by evangelist Billy Graham.

Newton, 46, will take a leave of absence from his duties at the Home Mission Board, moving to Amsterdam Jan. 26 for the seven-month assignment.

He will work with Ed Plowman, director of communications for Amsterdam '83, in handling advance media contacts and directing news coverage of the conference, slated July 12-21, 1983.

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Amsterdam '83, an international conference for itinerant evangelists, will seek to "train, inspire and equip traveling evangelists of the world," said Graham, explaining the purpose of the meeting.

About 2,500 evangelists, most of them from Third World countries, will be invited to attend the conference. Evangelists invited from North America and other areas who can afford it are being asked to sponsor an evangelist from the Third World.

"If the message of Jesus Christ is going to continue to go out in some countries, it will only be through national evangelists who are trained and equipped," said Graham. Amsterdam '83 is designed to provide the kind of training they need, he added.

Newton's services will be "loaned" to the Billy Graham Evangelistic Association to help communicate this challenge, said William G. Tanner, president of the Home Mission Board, who gave administrative approval for the project. Newton will return to his duties at the Home Mission Board Aug. 25. Until then, Patti Stephenson, assistant news editor, will be acting news and information services editor.

-30-

Church Bonds Now
Offered By HMB

By Jim Newton

Baptist Press
1/12/83

ATLANTA (BP)--Directors of the H.M.B. Service Corp. have approved documents putting into operation a new church bond program offered by the SBC Home Mission Board's "Broadway Plan."

"As Jan. 11, the church bond program at the HMB is operational," said Robert H. Kilgore, director of the HMB Church loans division and president of the H.M.B. Service Corp., the subsidiary corporation which acts as broker-dealer for the bonds.

Directors of the corporation approved an inch-thick stack of legal documents necessary for the bond program to begin.

H.M.B. Service Corp. plans to register as a broker-dealer in 30 states: Alabama, Alaska, Arizona, Arkansas, Colorado, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Michigan, Mississippi, Missouri, Nebraska, New Mexico, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, Washington and West Virginia.

Although the first bonds have not yet been issued by a local church through the "Broadway Plan" of H.M.B. Service Corp., Kilgore said there are about 20 churches now in process of applying for bonds.

Kilgore said it has taken much longer to work through all the legal procedures to begin the bond program than he had hoped, primarily because of the "Tax Reform Act of 1982" passed by Congress to go into effect Jan. 1, 1983.

This new law prohibited issuance of "bearer bonds" payable on maturity to the "bearer," and required all churches which sell bonds to record the Social Security numbers of each person buying a bond.

Kilgore explained the new law requires bond holders and the bank which serves as trustee to report all interest income on church bonds. He cited one report indicating that prior to the new law, an estimated 23-30 percent of the interest earned by bearer bonds has not been reported to Internal Revenue Service as taxable income.

Although the new law will require much more record-keeping, Kilgore said Southern Baptists should support laws aimed at preventing fraud and tax evasion. "Baptists are honest, law-abiding people, and I know our churches will willingly abide by the new law," he said.

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Kilgore said he believes the HMB "Broadway Bonds" will become the "most prestigious church bonds in the United States." Trustee for the bonds will be Citizens and Southern (C&S) National Bank of Atlanta, which Kilgor said is one of the largest in America, offering the highest possible interest rate on the interest of the churches' sinking funds. The bond program will also utilize one of the best computer systems available to keep records, Kilgore said.

-30-

Hughey Produces Two Books
While Battling Cancer

By Joe Murchison

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RICHMOND, Va. (BP)--J.D. Hughey had misgivings in late 1981 as he approached retirement.

He was ending a 38-year career with the Southern Baptist Foreign Mission Board, the last 18 as director of Europe and the Middle East. He was not accustomed to--nor did he eagerly await--a slower pace of life. In fact, he had spent two years planning a mini-career as a visiting professor at three Baptist seminaries, including a semester at Baptist Theological Seminary in Ruschlikon, Switzerland, of which he is a former president. He also planned to begin work on several books.

However, in the fall of 1981, while he and his wife, Evelyn, were making a final four-month tour of the 18 countries he supervised, Hughey began to have nausea and a constant feeling of fullness in his stomach. He assumed it was an ulcer but in January 1982, a Swiss surgeon discovered he had cancer of the pancreas. He was advised to drop all teaching plans.

Hughey has spent the past year fighting the cancer's spread with chemotherapy and another operation. He also has written two books, acutely enjoyed the ordinary pleasures of life and developed a new perspective on death.

"I think it's been one of the happiest years of my life," he reflected. "I've enjoyed the tender, loving care (of family and friends) and enjoyed the freedom to do what I wanted to do."

Hughey, who celebrated his 69th birthday Jan. 9, recently sat and talked about the recent publication by Broadman Press of Baptist Partnership in Europe, his fifth book. (He has edited two others.) He talked energetically, though he was thin and conserved his movement. His wife sat near him, watched lovingly and scolded gently when she thought he was being overly modest.

Hughey did much of the past year's writing an hour at a time while sitting on a pillow at his dining room table, returning to his bed to rest. He quickened his pace for two months during the summer when his strength returned temporarily.

He and his wife kidded each other that he sometimes sent her out shopping when he found it hard to concentrate.

He particularly wanted to finish the book to make a basic point about foreign missions: Southern Baptist missionaries, particularly in Europe, must continue to assume supportative rather than leadership roles in the indigenous Baptist groups of other nations.

"We can learn from people everywhere," Hughey says in the book. "We need to learn from the Baptists of Communist countries about faithfulness, endurance, flexibility and the importance of baptism as a turning point in life. From those who work in relatively unresponsive areas, we can learn to rejoice over one sinner who repents. From people in many lands, we can learn the meaning of trust in the Lord."

He said he sent the manuscript of his sixth book, on Baptists in Spain, to the Baptist Spanish Publishing House in El Paso, Texas, last month. The book will be published in Spanish for distribution in Spain and Latin America. He still hopes to find a publisher for an English edition.

Hughey said pleasures of the past year have included helping preside at the marriage of his youngest daughter, Lyn, in June, "a greater closeness of family and friends" and a "heightened enjoyment of the ordinary things in life," such as looking out an upstairs window at the birds and trees.

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He also has enjoyed a stronger sense of faith about death. "For a long time I haven't been afraid of death. I have been, and still am somewhat, afraid of what leads up to death--the suffering that can lead up to it."

But he said he and his wife came across a verse in the 121st Psalm before his operation that has comforted them. "The Lord will keep your going out and your coming in, from this time forth and for evermore" (RVS).

"The relative absence of pain is a real sign of grace. I really expected pain before this point, but I haven't had it," he explained. "I think I am fairly well prepared for what comes. I don't want life to end, because I've enjoyed it, but I can accept what comes."

Throughout his conversation, a gentle sense of irony and fun underlined his continuing enjoyment of his days on earth. At one point he joked, "We took a long walk yesterday, from which my wife caught a cold. I must be careful of her health."

And of his birthday, he said, "I used to think people who were 69 were really old."

-30-

(Joe Murchison is the religion writer for the Richmond, Va., News Leader.)

(BP) photo mailed to Baptist state papers by the Richmond bureau of Baptist Press

Circuit Rider Urges SBC
To 'Start Churches Or Die'

By Janice Trusty

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ATLANTA (BP)--Unless Southern Baptists start new churches to replace those which merge, leave the Convention or die each year, "the denomination will die," according to Tom Sykes, a Home Mission Board church-starting consultant.

To pump new blood into SBC ranks, Sykes spends two-thirds of his time traveling as an on-the-field resource for HMB missionaries working to plant new churches in 13 western states and Canada. Sykes also helps recruit and place bivocational pastors for new missions, giving training, guidance and encouragement to over 225 double-duty pastors.

Sykes finds it difficult to define his job. "The term for me should be 'link,'" he explained. While working closely with state conventions and associations, he is also one of three regional representatives of the Home Mission Board Church Extension Division's staff.

"Often," Sykes explained, "long distances separate church starters from fellow Baptist pastors. They lack the opportunity for fellowship. I pray with them, become a sounding board. It helps for them to know that 'here is someone interested in what I'm doing.'" Experience as a mission pastor and as a mission director--first in Indiana and later in Arizona--gives Sykes a strong insight into the mission pastor's role.

Ralph Hall, pastor of Paradise Valley Southern Baptist Church, Las Vegas, Nev., appreciates Sykes' camaraderie. "Tom's a good listener," Hall said. "He hears what you say and has the ability to feel with the pastor. Sykes does more than tell you he's been 'in that situation before. Here is what you do.' Instead he finds it more beneficial to lead you through what you have already tried, what you have not tried, and then into other avenues of church starting."

Sykes believes Southern Baptists themselves are a major drawback in church planting. He advocates promotion of a Convention-wide positive spirit and attitude toward starting new churches. "As more is being said about church planting, people are becoming more enthusiastic--the spirit is growing," said Sykes. But, "one of the tragedies in our convention is that mission pastors, pastors of small churches have so little opportunity to be heard."

Sykes would like to see mission pastors become more involved as denominational speakers. "We need to hear what God is doing in their lives," he noted. "The fact is, people living in remote areas need churches. We need multiple ministers--men willing to serve in a small town and establish ministries in similar areas. This is a must if we are to reach America."