Your Church's 2026 Financial Year End Checklist

By Josh Reeves

December is here again, and it's time to make sure your ministry takes care of its year end financial tasks. Our team handles most of the work for our clients, but there are key deadlines where we need certain information from you. Getting it to us on time keeps January from becoming stressful.

Below are the dates to know and what we need from you.

Key Dates

November Employees check a recent paystub	**December 1** Minister housing worksheets due to us	**December 15** Signed housing board motion due
December payroll Year end bonuses and staff gifts paid through payroll	**First January payroll** Raises and other payroll changes in place	**February 1, 2027** W-2s and 1099s due

Here is a closer look at each of those, what we take care of, and what we need from you.

1. Check a Paystub Now

Ask every employee to look over a recent paystub and confirm their name, mailing address, withholding and deductions. Pastors should also check their housing allowance amount. If something is wrong, let us know and we will fix it on a December payroll so it doesn't turn into a corrected W-2.

We prepare and file your W-2s by February 1, 2027. Employees will find theirs in their Workforce account, so this is a good time to make sure everyone can still log in.

2. Minister Housing Allowance

Your ChurchBiz rep sent our housing allowance email on November 1 with a link to the online worksheet. There is one worksheet for ministers who own their home and one for ministers who rent. Each minister receiving a housing allowance fills out the one that fits and submits it by December 1.

Once we have the worksheets, we prepare a board motion listing every minister on housing for 2027 and send it to you through the client portal for electronic signature. Only one signature is required. Please have it signed by December 15 so we can update payroll before the first January paycheck.

3. Bonuses and Christmas Gifts

If you are giving staff a year end bonus, we recommend it follows a written policy and be paid through a December payroll instead of a separate check. The same goes for gift cards given to staff and a Christmas offering collected for your pastor, since both count as wages. Send your rep each person's name and amount before your last December payroll, and we will add it to that payroll so the right taxes are withheld and it shows up on their W-2.

4. 1099s

The 1099 threshold went up this year. For payments made in 2026, a contractor only needs a 1099 if you paid them $2,000 or more, up from $600. For most churches that means fewer 1099s need to be filed.

It also matters how you paid. Payments made by check, ACH, bill pay or Zelle all count toward the $2,000 and may need a 1099. Zelle works like a bank transfer, so it is reported the same way a check is. Payments made by credit card, PayPal or Venmo are reported by the card company or payment app, so we don't file a 1099 for those.

We handle the 1099 process for you, and here is how it works.

1. We review everyone your church has paid this year and decide who needs a 1099.
2. For anyone we are missing a W-9 from, we request it from you through the client portal. If you prefer, we can request it directly from the vendor for you. Just send us their email address and we will send the request with you copied. The vendor fills in their tax information online, so nothing sensitive goes through email.
3. After we close December in early January, we finalize the list for the full year.
4. We file the forms through QuickBooks, and copies go to your contractors by February 1, 2027.

5. Budget and Payroll for 2027

Once your 2027 budget is approved, send your rep the final budget along with a separate spreadsheet with salary details for each staff member, including raises, new hires and any other changes. Please don't expect us to work out salary details from your budget. Clear information helps us make sure everything is set up correctly.

When both documents come in on time, we can have payroll changes in place before the first January payroll and load the budget into QuickBooks so your monthly reports compare actual numbers to the budget starting in January.

Your Checklist

- [ ] Have every employee review a recent paystub this month and let your rep know about any errors in their name, address, withholding or deductions so W-2s come out right
- [ ] Make sure each minister receiving a housing allowance submits their owner or renter worksheet by December 1
- [ ] Sign the 2027 housing allowance board motion we send through the client portal by December 15
- [ ] Send your rep the name and amount for every year end bonus, staff gift card and pastor Christmas offering before your last December payroll
- [ ] Send your rep the names of any contractors you paid outside bill pay in 2026, like a guest speaker or musician paid by check, Zelle or cash
- [ ] Send us any missing W-9s, or the vendor's email address so we can request it directly, by January 25, 2027 so we can file their 1099
- [ ] Once your 2027 budget is approved, send your rep the final budget and payroll update spreadsheet before the first January payroll

Questions? Reach out to your ChurchBiz client service rep or email info@churchbiz.com.

> Moreover, it is required of stewards that they be found faithful.
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> 1 CORINTHIANS 4:2 (ESV)