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### Tom Cruise: Scientology Isn't Only About Taxes

Most people are reluctant to criticize religious practices, let alone a church. Yet fear that Suri Cruise might be indoctrinated into Scientology's elite [Sea Org](#) may have propelled Katie Holmes to flee. Whatever the catalyst, her quick action focused renewed attention on [Scientology](#).

What constitutes a legitimate religion? It matters even if you focus **solely** on taxes. Churches reap a vast array of tax advantages. They even include special limits on the IRS audit powers. See [Special Rules Limiting IRS Authority to Audit a Church](#). With church status coveted, how does the IRS define one?

Surprisingly, the term "**church**" is not specifically defined in the tax code. See [Publication 1828, Tax Guide for Churches and Religious Organizations](#). Yet these characteristics are generally attributed to churches:

1. Distinct legal existence;
2. Recognized creed and form of worship;



3. Definite and distinct ecclesiastical government;
4. Formal code of doctrine and discipline;
5. Distinct religious history;
6. Membership not associated with any other church or denomination;
7. Organization of ordained ministers;
8. Ordained ministers selected after completing prescribed study;
9. Literature of its own;
10. Established places of worship;
11. Regular congregations;
12. Regular religious services;
13. Sunday schools for religious instruction of the young; and
14. Schools for preparing its members.

The IRS generally considers all facts and circumstances in assessing whether an organization qualifies. See [Tax Basics For Exempt Organizations](#). But unlike *other* exempt organizations, a church need not apply for an IRS ruling. See [Frequently Asked Questions About Applying For Tax Exemption](#). Most churches do but it's not technically required, more proof that church status is the gold standard.

How does Tom Cruise's religion stack up to traditional church criteria? Some criteria can be questioned, including allegedly coercive fundraising. See [St. Petersburg Times series](#). Some think the IRS should not have the power to decide what qualifies.

However, the tax laws have a huge impact on everyone. IRS scrutiny of [Scientology](#) was unrelenting for decades until 1993 when the IRS abruptly reversed course and [ruled](#) it was a church after all. Many observers cried foul at the time. In fact, [The New York Times](#) claimed that the IRS had reversed 30 years of precedent. See [IRS Should Review Scientology Tax-Exempt Status](#).

Nearly 20 years later, there are new outcries for the IRS to examine Scientology. See [It's Time to End the Church of Scientology's Tax-](#)

[Exempt Status](#). If the IRS acts, you can bet the debate will be more contentious than Tom and Katie's abbreviated divorce.

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