



FOLKETINGET  
STATSREVISORERNE



FOLKETINGET  
RIGSREVISIONEN

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# The Ministry of Ecclesiastical Affairs' administration of the Danish Register of Religious Communities (Trossamfundsregistret)

# 1. Introduction and conclusion

## 1.1. Purpose and conclusion

1. This report concerns the Ministry of Ecclesiastical Affairs' administration of the Danish Register of Religious Communities. We examine whether the Register of Religious Communities includes all statutory information on recognized religious communities and religious denominations, and whether the Ministry of Ecclesiastical Affairs has checked whether the recognized religious communities and religious denominations report correct data to the register.

2. On 1 January 2018, Act on Regulating Religious Communities Outside the Folkekirke (in the following referred to as the Trossamfundslov) took effect. The act provides an overall framework for and clarification of the rights and obligations of religious communities in Denmark. These rights and obligations were previously governed by regulations in various areas. The purpose of the Trossamfundslov was to increase openness and transparency of the financial position and organization of religious communities. With the adoption of the act followed statutory supervision of the recognized faith communities, and the minister of ecclesiastical affairs was granted authority to revoke the recognition of a religious community if the terms of recognition were not observed.

3. With the adoption of the Trossamfundslov, followed an obligation to establish and run a digital register of religious communities and check that the recognized religious communities and religious denominations reported the information they were required to by law to the register. The ministry was granted an annual appropriation in 2018 and onwards of DKK 1.3 million to solve this task. The appropriation was increased by DKK 2.8 million in 2021 and DKK 3.5 million in 2022 to cover increased costs for the administration of the Trossamfundslov. In accordance with section 22.10.01.10 of the Finance Act for 2022, the appropriation will be further increased by 4.6 million in 2023 and DKK 5 million in 2024 and onwards.

In the autumn of 2018, the Ministry of Ecclesiastical Affairs established the digital register of religious communities, which is accessible to the public through the ministry's website. The purpose of the register is to ensure greater openness and increased transparency of the financial position and organisation of the religious communities. It appears from the consolidated act on the register that recognized religious communities and religious denominations are under an obligation to submit their financial statements, membership records and data on donations received to the register every year.

### **Folkekirken**

The Danish National Evangelical Lutheran Church is in the Danish constitution referred to as the "Folkekirke".

4. With the recognition follows the opportunity for the religious community or religious denomination to approach the Ministry of Taxation and apply for various tax benefits based on their religious activities such as, the right to deduct tax on gifts and ongoing services received by the religious community. Recognition also opens up the possibility of being allowed to perform official tasks such as conducting a marriage ceremony. If religious communities and religious denominations are not recognized, the legal privileges that follow from the recognition are withdrawn. This means that the religious community's preachers cannot apply for a licence to conduct a marriage ceremony, and the financial position of the religious community may be weakened because the access to receive tax benefits based on its religious activities is linked to its recognition.

A religious community does not have to be recognized under the Trossamfundsløv to be defined as a religious community or religious denomination in Denmark. The right to be a religious community or religious denomination follows from the freedom of religion that is embedded in the constitution. This means that if recognition is revoked, the religious community will neither be banned nor will its activities be curbed. However, if a religious community is not recognized, the legal privileges that follow the recognition will be withdrawn.

5. The purpose of the study is to assess whether the Ministry of Ecclesiastical Affairs adequately administers the Trossamfundsløv.

Rigsrevisionen initiated the study in January 2022.



## Main conclusion

**The Ministry of Ecclesiastical Affairs has not administered the Register of Religious Communities adequately. The consequence is that the register does not adequately contribute to the achievement of the purpose of the Trossamfundslov of ensuring greater openness and increased transparency of the financial position and organization of the religious communities.**

### **Not all statutory information is included in the Register of Religious Communities**

The study shows that 47% of the 417 recognized religious communities and religious denominations either had not reported their financial statements for 2020 or had failed to prepare the financial statements in accordance with the applicable rules in the Danish Financial Statements Act or in compliance with the requirements concerning information about donations. Moreover, 4% of the religious communities and the religious denominations have failed to report information about their membership, as they are required to by law.

The study also found that in 2021, 113 recognized religious communities and denominations were on the Ministry of Taxation's list of recognized associations that were eligible for tax benefits although they did not directly meet the criteria of continued recognition based on the information concerning 2020 that they had reported to the register. It is, however, for the Ministry of Ecclesiastical Affairs to assess, whether these religious communities and denominations should have lost their recognition.

### **The Ministry of Ecclesiastical Affairs has not sufficiently followed up on the recognized religious communities and denominations that fail to report correct information to the Register of Religious Communities**

The study shows that the Ministry of Ecclesiastical Affairs' follow-up on reporting of financial statements for 2020 and membership as of 1 January 2021 was not initiated until December 2021 and is still ongoing. Additionally, the ministry has not made sure that all religious communities and denominations reported their financial statements for 2018 and 2019 and memberships as of 1 January 2019 and 1 January 2020.

The Ministry of Ecclesiastical Affairs has not yet implemented sample checks of the financial statements for 2020, but the study shows that approx. 74% of the financial statements for 2018 and 2019 selected for checking by the ministry in previous years, either did not meet the requirements as to form or lacked the required information about donations. The many errors found in connection with the sampling did not prompt the ministry to expand the sample. The study also found that so far, the ministry has based its sampling on data that are probably incorrect and incomplete, as 10% of the information about donations received in 2020 submitted by the religious communities and denominations to the Register of Religious Communities does not correspond with the information provided in their financial statements for 2020.

Since the adoption of the Trossamfundslov, the Ministry of Ecclesiastical Affairs has been granted additional funding to manage the supervision of the Register of Religious Communities. Rigsrevisionen therefore finds that the ministry should have expanded its sample checks based on the many errors detected in previous years, and the ministry should have initiated follow-up on the financial statements for 2020 earlier. However, the ministry has expanded its guidance to the religious communities and denominations in 2022 based on its previous experience with the supervision.