

WHEN THE CHURCH OWNS THE PARSONAGE

The Board was informed that under the tax law an ordained, licensed or commissioned minister of the gospel is not subject to Federal Income Tax with respect to the rental value of a home furnished to him or her as part of his or her compensation or a church-designated allowance paid as a part of compensation to the extent used by him or her to maintain and/or furnish a parsonage owned or rented by the church.

The _____ on the _____ day of _____, 20____, after considering the statement of Reverend/Pastor _____ setting forth the amount Reverend/Pastor _____ estimates he or she will be required to spend to maintain and/or furnish the church parsonage for himself or herself and his or her family during the year 20____, on motion duly made and seconded, adopted the following resolution:

RESOLVED, that Reverend/Pastor _____ receive compensation of \$____
_____ for the year 20____. Reverend/Pastor _____ receive a housing allowance of \$ _____ for the year 20____ and all future years unless otherwise provided. The housing allowance shall be so designated in the official church records.

For the Church Boards Information

Four Primary Requirements of Ministerial Housing Allowance Exclusions

1. Available only to a "minister of the gospel" – Ministerial Status Requirement
 2. Allowance must be compensation for services which are ordinarily the duties of a minister of the gospel – Ministerial Services Requirement
 3. Housing allowance must be designated by the employing organization – Designation Requirement
 4. Housing allowance must be used for expenses of maintaining a home – Housing Expenses Requirement
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