

# Parsonage/Housing Allowance

Estimated Expenses for the year \_\_\_\_\_

Pastor/Missionary \_\_\_\_\_

## Actual Costs Computation

Rent or House Payment \_\_\_\_\_

Real Estate Taxes \_\_\_\_\_

Insurance on Home & Contents \_\_\_\_\_

Repairs/Upkeep of Home & Contents \_\_\_\_\_

Utilities/Heat, Non-business Phone, Water, Sewer,  
Garbage Removal, etc \_\_\_\_\_

Misc. Items, Lawn Mowing, Cleaning Supplies, Brooms,  
Light Bulbs, Furniture, Appliances, Decorator Items, Etc \_\_\_\_\_

Total \_\_\_\_\_

## FMR (Fair Market Rental Value) Computation

FMR (Fair Market Rental Value - Furnished) \_\_\_\_\_

Utilities \_\_\_\_\_

Total \_\_\_\_\_

Signed \_\_\_\_\_

Date \_\_\_\_\_

Actual Designated Parsonage Allowance \_\_\_\_\_

Approved on \_\_\_\_\_

By \_\_\_\_\_ Position \_\_\_\_\_

## **WHO QUALIFIES:**

Ordained, commissioned or licensed religious workers: pastors, evangelists, missionaries, theological students serving as assistant pastors, music and education directors, and administrators of mission boards or religious organizations and teachers employed by a school that is under the authority of a religious body. (See detailed regulations as to who qualifies)

## **WHAT CAN BE INCLUDED:**

(As long as it meets one the 3 methods and the Clergy Housing Allowance Clarification Act of 2002).

1. Rent or principal payments, cost of buying a home and down payment.
2. Taxes and Interest of the home. These expenses are deductible again as Itemized deductions Rev. Ruling 62-212 and Sec. 265(6).
3. Insurance on the home and the contents,
4. Repairs and upkeep of the home and the contents
5. Furniture appliances vacuum sweeper, TV, washer, dryer, beds, etc
6. Decorator Items, curtains rugs, pictures etc.
7. Utilities; heat, electric non business phone, water, cable TV, sewer charge, garbage removal, etc. (show business telephone expense as a professional expense It will result In less Social Security Tax.
8. Misc. Items; lam mowing, cleaning supplies for the home, brooms, light bulbs, etc, It's a good Idea to buy these separately and keep the receipts

## **FMR (Fair Market Rental Value)**

3 methods to arrive at this amount:

1. Realtor's Informal Opinion
2. Appraisal
3. The 1% rule

Additional Information available on our web site

## **EARNED INCOME CREDIT FOR CLERGY**

Effective since 1979 Revenue Ruling 79-78 defines 'Earned Income' for the minister to include the parsonage allowance and to include the income of a minister who elected to be exempt from Social Security.

**For More Information, contact us at:**

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