

HOUSING ALLOWANCE WORKSHEET 2016

Explanation of the housing or parsonage allowance: For federal income tax purposes, ministers are permitted to exclude from their church income a "parsonage allowance" designated by the church (Church Board), to the extent that the allowance is used to pay parsonage expenses **not otherwise paid by the church**. To assist the church board in designating the appropriate amount, please estimate on this form the parsonage expenses you expect to pay next year and present this form to the church board in advance of December 31. We recommend that you check with a tax professional in your state for your state's treatment of parsonage allowances.

Estimated expenses for each category below in 2014:

Item Amount

- Down payment on a home \$ _____
- Mortgage payments on a loan to purchase or improve your home
(Includes both principle and interest) \$ _____
- Rent payments \$ _____
- Real estate taxes \$ _____
- Property insurance for owners or personal property insurance for renters \$ _____
- Utilities (electricity, gas, water, sewer, trash pickup, local telephone charges) \$ _____
- Furnishings and appliances (purchase and repair) \$ _____
- Structural repairs and remodeling \$ _____
- Yard maintenance and improvements \$ _____
- Maintenance items (household cleaners, light bulbs, pest control, etc.) \$ _____
- Homeowners association dues \$ _____
- Miscellaneous \$ _____

Total Estimated Expenses \$ _____

This list of expenses represents a reasonable estimate of my housing expenses for next year. I understand and agree that:

- The church board will not designate a portion of my compensation as housing allowance until I complete and return this form.
- Retroactive designations of housing allowances are not legally effective.
- If a change in my housing allowance is necessary because these estimates are insufficient, it is my responsibility to notify the church board.
- **My housing allowance exclusion for income tax purposes is not the same as my estimated expenses.** The actual housing allowance exclusion is the lowest of three amounts: (1) my actual housing expenses for the year, (2) the fair market annual retail value of my home (furnished, including utilities), or (3) the church-designated housing allowance.
- My housing allowance exclusion is an exclusion for federal income taxes only. I must add my housing allowance as income in reporting my self-employment taxes on Schedule SE (unless I am exempt from self-employment taxes).

Signature of Pastor

Date

I attest that I received this form from the above minister.

Signature of Secretary

Date