



The Episcopal Diocese of California
 1055 Taylor Street, San Francisco, CA: 94108
 tel 415-673-5015; fax 415-673-4863

re: Parish Code No.

CERTIFICATION of RESOLUTION For 2019 CLERGY HOUSING ALLOWANCE

THIS FORM IS INFORMATIONAL ONLY
(not required to be sent to Diocese)

To change clergy payroll figures or allocation of compensation submit the
2019 PAYROLL AUTHORIZATION FORM

This form is informational only and should only be sent in support of a Payroll Authorization:

- before the first payday of each year certifying a housing allowance resolution was passed and recorded in vestry / bishop's committee / executive board meeting minutes for all clergy employed.
- at any time during the year when clergy housing allowance and compensation changes.
- before the first payday when new clergy are employed.

NO HOUSING ALLOWANCE CAN BE PAID TO A CLERIC WITHOUT A RESOLUTION PASSED
 BY THE VESTRY, BISHOP'S COMMITTEE or BOARD.

HOUSING ALLOWANCE PAYMENTS CANNOT BE ADJUSTED RETROACTIVELY.

I certify that on the date of: _____ the Vestry Bishop's Committee Board of Directors of *(name of institution):* _____ passed a resolution* authorizing a 2019 housing allowance in the amount of \$ _____ ** for The Rev. _____ . The resolution* is noted in the minutes and we have provided the Payroll Authorization to indicate salary and housing allowance to the payroll office.

**sample housing allowance language provided on the 2nd page of this document*

*** the amount should reflect the allowance to be paid in the year for which the resolution is enacted. If it is for a partial year, it should NOT state the annualized amount, only the amount actually to be paid in that year. The figure noted on the Payroll Authorization should be annualized.*

 Print & signature of authorizing agent (ie: warden or treasurer) of Church/Institution

 TODAY'S DATE

 Email or Phone of above named person

 PARISH CODE

Any ordained person (deacon or priest working in any capacity) is eligible for a housing allowance and their total compensation is to be assessed 18% pension per national canons.

Housing Allowance Defined

Federal tax law enables clergy to exclude from gross income for income tax purposes:

- ◆ The fair rental value of a church-owned parsonage that they are permitted to occupy on a rent-free basis as part of their church compensation
- ◆ The portion of their church compensation that is designated in advance as a parsonage allowance to the extent that the minister's out-of-pocket expenses incurred in maintaining the parsonage (including furnishings and utilities) equal or exceed the allowance
- ◆ The portion of their church compensation that is designated in advance as a rental or housing allowance to the extent that the minister's expenses incurred in renting a home are equal to or exceed the allowance
- ◆ The exclusion cannot be more than the smaller of the following:
 1. The amount actually used to provide a home
 2. The amount officially designated (in advance of payment) as a rental or housing allowance
 3. The fair market rental value of the home, including furnishings, utilities
 4. An amount which represents reasonable pay for services as a minister.

Sample Resolution: Clergy Owns or Rents

WHEREAS The Rev. xxxxxxxxx is employed as a minister of the Gospel by the Episcopal Church of St. Swithens, which does not provide a residence for him; the Vestry of St. Swithens resolves that of the total annual compensation of approximately \$60,000.00 to be paid to The xxxxxxxxx during the year 20xx, \$48,000.00 is to be designated a housing allowance within the meaning of that term as used in Section 107 of the IRS Code of 1986.

Sample Resolution: Rectory Provided

WHEREAS The Rev. xxxxxxxxx is employed as a minister of the Gospel by the Episcopal Church of St. Swithens, which does provide a residence for him, but does not provide full cost of maintaining such residence; the Vestry of St. Swithens resolves that of the total annual compensation of approximately \$60,000.00 to be paid to The Rev. xxxxxxxxx during the year 20xx, \$8,000.00 is to be designated a housing allowance within the meaning of that term as used in Section 107 of the IRS Code of 1986.

Reminder: A new housing allowance resolution must be passed in December or prior to first pay period of New Year or new employment