



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 2020 CLERGY HOUSING ALLOWANCE

THIS FORM IS INFORMATIONAL ONLY & DOES NOT INSTRUCT FOR ANY CHANGES

**To change clergy payroll figures or allocation of compensation submit the
2020 PAYROLL AUTHORIZATION FORM**

This form is informational only and should only be sent to Diocese in support of a completed 2020 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 mid-year when clergy housing allowance changes.
- before the first payday when new clergy are employed.

NO HOUSING ALLOWANCE CAN BE PAID TO A CLERIC PRIOR TO A RESOLUTION BEING 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 2020 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 actual cash allowance to be paid in the year for which the resolution is enacted. The amount noted in the resolution and the amounts noted on the Payroll Authorization may not match because the Payroll Authorization figures asks for an annualized amount and the resolution states actual cash paid from resolution date to end of year which may be less than a full year.*

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

TODAY’S DATE

Email or Phone for above named person

PARISH CODE

Housing Allowance Defined

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

- ◆ Any ordained person (deacon or priest working in any capacity) is eligible to declare a portion of compensation as housing allowance.
- ◆ 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 and noted in vestry / board minutes before the first pay period of a new year or prior to the start of new employment

[CPG Provides Online Tax Resources & On-Call Experts](#) to assist individual clergy and employers with church and clergy tax issues. Visit www.cpg.org for [online resources](#) or call one of the On-Call Experts
Long url: <https://www.cpg.org/active-clergy/retirement/tax-resources/>