

CHURCH NAME: _____

PASTOR NAME: _____

**HOUSING ALLOWANCE WORKSHEET
FOR PASTORS WHO OWN OR RENT THEIR HOME**

For federal income tax purposes, ministers are permitted to exclude from their church income a HOUSING ALLOWANCE designated by the church (Church Board), to the extent that the allowance is used to pay housing expenses. To assist the church board in designating the appropriate amount, please estimate on this form the housing expenses you expect to pay next year, and return the form to the church board secretary prior to the church board's December meeting.

ESTIMATE EXPENSES FOR EACH CATEGORY BELOW FOR _____(Year):

<u>ITEM</u>	<u>AMOUNT</u>
• Down payment on a home	\$ _____
• Mortgage payments on a loan to purchase or improve your home (Include 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 FOR _____(Year)	\$ _____

(OVER)

HOUSING ALLOWANCE WORKSHEET

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The 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 not sufficient, 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 rental value of my home (furnished, including utilities), or (3) the church-designated housing allowance.
- ◆ My housing allowance exclusion is 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). **Check with a tax professional in your state for your state's treatment of housing allowances.**

Signature of Pastor

Date

I attest that I received this form from the above minister on _____, _____.

Signature of Church Board Secretary