

Parsonage Allowance Designation Resolution for an ordained minister

Whereas, section 107 of the Internal Revenue Code permits a minister of the gospel to exclude from gross income the rental value of a parsonage furnished to him/her as part of his/her compensation, and a church-designated parsonage allowance paid to him/her as part of his/her compensation, to the extent the allowance represents compensation for ministerial services; is used to pay parsonage-related expenses such as utilities, repairs, and furnishings; and does not exceed the fair rental value of the parsonage (furnished, plus utilities); and

Whereas, _____ is compensated by _____
(name of ordained minister) (name of employer congregation)

exclusively for services as a minister of the gospel; and Whereas _____ provides
(name of employer congregation)

_____ with rent-free use of a church-owned parsonage as compensation for services that
(name of ordained minister)

he/she renders to the church in the exercise of his/her ministry; and Whereas, as additional compensation to

_____ for services that he/she renders to the church in the exercise of his/her ministry,
(name of ordained minister)

_____ also desires to pay _____
(name of employer congregation) (name of ordained minister)

an amount to cover expenses he/she incurs in maintaining the parsonage; therefore, it is hereby Resolved, that the annual

compensation paid to _____ for calendar year _____ shall be
(name of ordained minister)

\$ _____, of which \$ _____ is hereby designated to be a parsonage allowance pursuant to section

107 of the Internal Revenue Code; and it is further Resolved, that the designation of \$ _____ as a parsonage

allowance shall apply to calendar year _____ and all future years unless otherwise provided by this vestry; and it is further

Resolved, that as additional compensation to _____ for calendar year _____ and for
(name of ordained minister)

all future years unless otherwise provided by this vestry, _____ shall be permitted to live
(name of ordained minister)

in the church-owned parsonage located at _____,
(address of parsonage)

and that no rent or other fee shall be payable by _____ for such occupancy and use.
(name of ordained minister)