

## HOUSING RESOLUTION

General Information: To be eligible, the clergy person must be BOTH: (1) ordained, licensed or commissioned by the United Methodist Church, AND (2) appointed by the Bishop to the position at this church or salary paying unit. Clergy can exclude a portion of their income designated by their church or salary paying unit as a "Housing Allowance" under Section 107 of the Internal Revenue Code. To be excludible, amounts designated as a housing allowance must be used to provide housing and must not exceed the fair rental market value of the home. The housing allowance is an exclusion from income, not a deduction. This means it is not reported as part of the gross income for federal income tax purposes but is reported for social security tax and Medicare tax purposes. The cash paid for housing purposes along with the fair rental value of the parsonage (if provided) must be included in as part of the pastor's gross income for self-employment tax.

The Charge Conference/Church Council of \_\_\_\_\_ United Methodist Church on the \_\_\_\_\_ Day of \_\_\_\_\_, 201\_\_, after considering the statement of Rev. \_\_\_\_\_ who meets the above qualifications (1) and (2), setting forth the amount s/he estimates s/he will spend to provide a home for himself/herself and family during the year 201\_\_, on a motion duly made and seconded, adopt the following resolution: Whereas Section 107 of the Internal Revenue Service code of 1986 had provided that a Minister of the Gospel may exclude from gross income the rental value of a home provided and any allowance to provide a home, therefore be it resolved:

Complete Part A or Part B

### PART A – when the church provides a parsonage

1. Rev. \_\_\_\_\_ shall have the rent-free use of the home located at \_\_\_\_\_, Florida for the year 201\_\_ and for every year thereafter so long as s/he is Pastor of this United Methodist Church unless otherwise provided.
2. If, in addition to the parsonage, the pastor requests that some of his/her income be designated for housing purposes, also complete this paragraph:  
Rev. \_\_\_\_\_ shall receive an additional housing exclusion of \$ \_\_\_\_\_ for the calendar year 201\_\_. *(This is what the Clergy estimates that they will spend on furniture and other household items, and s/he will retain appropriate documentation for the Internal Revenue Service.)*

### PART B – when the church provides cash instead of a parsonage

1. Rev. \_\_\_\_\_ shall receive an annual amount of \$ \_\_\_\_\_ (income/cash in lieu of parsonage) for housing in the calendar year 201\_\_ and all future years unless otherwise provided.
2. If, in addition to the housing income/cash granted in PART B.1 (above), the pastor requests that an additional amount be designated for housing purposes, also complete this paragraph:  
Rev. \_\_\_\_\_ shall receive an additional housing exclusion of \$ \_\_\_\_\_ for the calendar year 201\_\_ and all future years unless otherwise provided.
3. **Summary:** The pastor is provided an annual total housing exclusion amount of \$ \_\_\_\_\_ (B.1 plus B.2) for the calendar year 201\_\_ and all future years unless otherwise provided.

\_\_\_\_\_  
Signature: Finance Chair or  
Council/Board Chair

\_\_\_\_\_  
Date

\_\_\_\_\_  
Pastor Signature

\_\_\_\_\_  
Date