

Two Examples of Vestry Housing Resolutions:

Sample housing allowance resolution for a minister who lives in a church-owned rectory.

The following resolution was duly adopted by the vestry of Grace Church at a regularly scheduled meeting held on December 13, 2006, a quorum being present:

Whereas, Section 107 of the Internal Revenue Code permits a minister of the gospel to exclude from gross income the rental value of a rectory furnished to him as part of his compensation, and a church-designated housing allowance paid to him as part of his compensation to the extent used for actual expenses incurred in maintaining the rectory; and

Whereas, the Reverend John Smith is compensated by Grace Church exclusively for services as a minister of the gospel; and

Whereas, Grace Church provides Fr. Smith with rent-free use of a church-owned rectory as compensation for services that he renders to the church in the exercise of his ministry; and

Whereas, as Fr. Smith incurs expenses for living in church provided housing; therefore it is hereby

Resolved, that the annual compensation paid to Fr. Smith for calendar year 2007 shall be \$50,000, of which, \$5,000 is hereby designated to be a housing allowance pursuant to Section 107 of the Internal Revenue Code, and it is further

Resolved, that the designation of \$5,000 as a housing allowance shall apply to calendar year 2007 and all future years unless otherwise provided by the vestry; and it is further

Resolved, that as additional compensation to Fr. Smith for calendar year 2007 and for all future years unless otherwise provided for by this vestry, Fr. Smith shall be permitted to live in the church-owned rectory located at 123 Main Street, and that no rent or other fee shall be payable by Fr. Smith for such occupancy and use.

Sample housing allowance resolution for a minister who owns his own home.

The following resolution was duly adopted by the vestry of Christ Church at a regularly scheduled meeting held on December 13, 2006, a quorum being present:

Whereas, Section 107 of the Internal Revenue Code permits a minister of the gospel to exclude from gross income (in computing federal income taxes) a church-designated allowance paid to him as part of his compensation to the extent used by him for actual expenses in owning or renting a home; and

Whereas, the Reverend Samuel Johnson is compensated by Christ Church exclusively for the services as a minister of the gospel; and

Whereas, Christ Church does not provide Fr. Johnson with a rectory, therefore, it is hereby

Resolved, that the total compensation paid to Fr. Johnson for calendar year 2007 shall be \$50,000 of which \$15,000 is hereby designated to be a housing allowance; and it is further

Resolved, that the designation of \$15,000 as a housing allowance shall apply to calendar year 2007 and all future years unless otherwise provided.