Housing Allowance Exclusion Worksheet

Estimate of Housing Allowance for 2016

I, ______________________, certify that I am a licensed minister of the gospel as defined by IRS regulations, and I estimate my housing cost for the calendar year of 2016 as follows:

Computation of Housing Allowance Exclusion

The exclusion is limited to the least of:

A. Amount designated as housing allowance by Board of Trustees
   (An amount not to exceed) $ 40,000

B. Amount used to provide a home:
   a. Rent
   b. Mortgage (including down payment)
   c. Real Estate Tax
   d. Insurance (home & contents)
   e. Repairs, Improvements, & Maintenance
   f. Household furnishings & appliances
   g. Decorator items (drapes, carpet, pictures, etc.)
   h. Utilities (electric, gas, water, and sewage)
   i. Lawn Maintenance, Landscape, & Pest Control
   j. Any other allowance expense (Specify)

Total Actual Expense of Operating Your Home $___________

Based on the above figures (lower of A or B), the amount of the minister’s housing allowance excludible from income tax liability is ______________.

Allowance Amount per Month (1/12 of yearly total) $___________

I understand that the total allowance permitted cannot exceed the least of the following three provisions:

1. The fair market rental value of a furnished home; plus the cost of utilities;
2. The actual expenses of operation of the home; or
3. The amount designated by the Board of Directors.

I acknowledge I am aware taxes associated with the Federal Insurance Contribution Act (FICA) and Medicare will not be withheld from my paycheck.

Signature _________________________ Date ___________________

The entire designated ministerial housing allowance is subject to self-employment tax unless the minister has “opted out” of Social Security or the minister is retired.