

HOUSING ALLOWANCE EXPENSE REPORT FORM

For Ministers Who RENT Their Home

As a minister who rents a home or apartment, you do not have to pay federal income taxes on the amount of your compensation that the church designates in advance as a housing allowance, to the extent that the allowance represents compensation for ministerial services, is used to pay housing expenses, and does not exceed the fair rental value of your home (furnished, plus utilities). To assist the church in designating an appropriate amount, please estimate on this form the rental expenses you expect to pay next year, and then return the form to the board secretary of the board prior to the November meeting.

RENTAL EXPENSE	ESTIMATED AMOUNT
Rental payments	\$
Property insurance	\$
Utilities (electricity, gas, water, trash pickup, local telephone charges etc.)	\$
Furnishings and appliances (purchase and repair)	\$
Structural repairs and remodeling	\$
Yard Maintenance and improvements	\$
Maintenance items (household cleansers, light bulbs, pest control)	\$
Miscellaneous	\$
TOTAL ESTIMATED EXPENSES	\$ _____

The above listed expenses represent a reasonable estimate of my housing expenses next year. I understand and agree that

- 1) The church board will not designate a portion of compensation as a housing allowance until I complete and return this form. Retroactive designations of housings allowances are not legally effective.
- 2) It is my responsibility to notify the board in the event these estimates prove materially inaccurate during the year.
- 3) The entire housing allowance designated by the church is not necessarily nontaxable. Rather, it is nontaxable for income tax purpose only to the extent that it does not exceed my actual rental expenses for the year. Stated differently, the nontaxable amount is the lowest of three amounts: (a) actual rental expenses for the year, (b) the church-designed housing allowance, or (c) the annual rental value of the home (furnished, plus utilities).
- 4) My housing exclusion is an exclusion for federal income taxes only. I must add the nontaxable amount of my housing allowance as income in reporting my self-employment taxes on Schedule SE (unless I exempt from self-employment taxes).

Legible Signature of Minister

Date

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The _____ (church name) approved the housing allowance of \$_____ for all future years unless otherwise provided by this board.

Board Secretary

Date