

HOUSING ALLOWANCE/PARSONAGE/EXCLUSION FORM

(Part of the 2026 Clergy Compensation Package)

This form is to be used for the clergy housing allowance and/or housing exclusion.

Pastor Name:

Pastor email:

District:

Church Name:

Church email:

General Information: To be eligible, the clergy person must be BOTH: (1) ordained, licensed or commissioned by the Global Methodist Church, **AND** (2) appointed 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/Housing Exclusion" under **Section 107 of the Internal Revenue Code**. To be excludible, amounts designated as a housing allowance/housing exclusion must be used to provide housing and must not exceed the fair rental market value of the home. The housing allowance/housing exclusion 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.

Cabinet of the Florida Global Methodist Church for 2023, after considering the statement of the above named clergy 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 2026, 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 a parsonage is provided to the clergy

Church Parsonage Address:

The clergy person named above shall have the rent-free use of the home located at the location above for the year 2026 and for every year thereafter so long as s/he is Pastor of this Global Methodist Church unless otherwise provided.

2. In addition to the parsonage, the pastor requests that some of his/her income be designated for housing purposes and will be non-taxable income. The clergy person named above requests a housing exclusion of: \$ _____ for the calendar year 2026. **(This is what the clergy person estimates s/he will spend on furniture and other household items, and s/he will retain appropriate documentation for the Internal Revenue Service to substantiate these costs.) The housing exclusion will be paid as the non-taxable portion of the clergy's annual salary. This amount is not additional income to the taxable base salary.**

PART B – when cash instead of a parsonage is provided to the clergy

1. The above-named clergy person shall receive an annual housing allowance amount of \$ _____ (income/cash in lieu of parsonage) for housing in the calendar year 2026 and all future years unless otherwise provided.

2. If, in addition to the housing allowance (above), the clergy person requests that the following amount of his/her income be designated for housing purposes and will be non-taxable income.

\$ _____ for the calendar year 2026. **(This is what the clergy estimates that s/he will spend on furniture and other household items, and s/he will retain appropriate documentation for the Internal Revenue Service to substantiate the costs.) The housing exclusion will be paid as the non-taxable portion of the clergy's salary. This amount is not additional income to the taxable base salary.**

Signature: Finance/Leadership Chair
Council/Board Chair

Date

Clergyperson Signature

Date