

Name Of Church: _____

Board of Administration Resolutions

Designation for Parsonage Allowance

The chairman informed the meeting that under the tax law, a minister of the Gospel is not subject to federal income tax on "the parsonage allowance paid to him as part of his compensation to the extent used by him to rent or provide a home."

After considering the estimate of Rev. _____ of his home expenses, a motion was made by _____, seconded by _____
And passed to adopt the following resolution:

Resolved that of the total cash salary for the year _____, \$ _____
is hereby designated as parsonage allowance.

Professional Expenses

The chairman informed the meeting that according to Sec. 62(A)(2)(A), an employee that adequately accounts to the employer the details of their professional expenses, is allowed a deduction from gross income. Sec. 62(C) further requires an employee to return any excess reimbursement or advance to the employer within a reasonable time. Reg. 1.62-2(D)(3) further requires that no part of our employee's salary be recharacterized as being paid under this reimbursement arrangement.

A motion was made by _____, and seconded by _____
_____ and passed to adopt the following resolution:

Resolved that in addition to the salary provided our employee, we will reimburse him for auto, travel, and professional expenses considered ordinary and necessary for him to carry out his duties up to a fixed limit of \$ _____. If his actual expenses are greater than this fixed limit, he will be required to deduct the extra expenses on Form 2106 and Schedule A.

It is further understood that a person other than the employee will examine the adequately accounted records and that the records will be kept for at least four years by the employer.

Name of Church _____

Signature _____

Title _____

Date _____