



Housing allowance worksheet for pastors owning/renting home

Estimated 2012 expenses by category:

Down payment on a home	\$ _____
Mortgage payments for loans used to purchase or improve your home (include both principle and interest)	\$ _____
Rent payments	\$ _____
Real estate taxes	\$ _____
Property insurance for owners or personal property insurance for renters	\$ _____
Utilities (electricity, gas, water, sewer, trash pickup, local telephone charges)	\$ _____
Furnishings and appliances (purchase and repair)	\$ _____
Structural repairs and remodeling	\$ _____
Yard maintenance and improvements	\$ _____
Maintenance items (household cleaners, light bulbs, pest control, etc.)	\$ _____
Homeowners association dues	\$ _____
Miscellaneous eligible expenses	\$ _____
Total Estimated Housing Expenses for 2012	\$ _____



This list of expenses represents a reasonable estimate of my housing expenses for next year.

I understand and agree that:

- The church board will not designate a portion of my compensation as a housing allowance until I complete and return this form.
- Retroactive designations of housing allowances are not legally effective.
- If a change in my housing allowance is necessary because the initial estimates provided are insufficient, it is my responsibility to notify the church board.
- **My actual housing allowance exclusion for income tax purposes is not the same as the estimated expenses provided on this worksheet.** The housing allowance exclusion allowed is the lowest of three amounts: (1) my actual housing expenses for the year, (2) the fair market annual rental value of my home (furnished, including utilities), or (3) the church-designated housing allowance.
- My housing allowance exclusion is an exclusion for federal income taxes only. I must include my housing allowance as taxable compensation when calculation my self-employment taxes on Schedule SE (unless I am exempt from self-employment taxes).

Signature of Pastor

Date

I attest that I received this form from the above minister.

Signature of Church Board Secretary

Date

Explanation of the housing allowance: For federal income tax purposes, ministers are permitted to exclude from their church income a housing allowance designated in advance by the church (Church Board), to the extent that the allowance is used to pay for eligible housing expenses **not otherwise paid by the church**. This form can be used to estimate projected housing expenses for the coming year to help the church board designate an appropriate amount for the housing allowance. The amount needs to be approved and documented prior to December 31, 2011 for 2012. We recommend consulting a tax professional for assistance with your state's tax treatment of housing allowances.