

Designation of Housing Allowances

The (Church name) _____, (Church address – City/St/Zip) _____ sets up the designation of a Housing and Utility housing allowance for each ordained, commissioned, or licensed minister of the church for the year (Specify Year) _____ be set at (Set Monthly Amount) _____ per month.

Section 107 of the Internal Revenue Code of 1986, and the Regulations thereunder (hereinafter the "Code") provides that a minister may receive a housing allowance designated as such and paid to him by a church as compensation for services which he performs for the church as a minister in the exercise of his ministry. This allowance is to be used to rent or otherwise provide a home for the minister. The provision of a home for a minister is a permitted non-profit purpose for a church. The Code requires the designation of same to be in advance of payment.

Upon motion duly made, seconded, and unanimously carried, it was

RESOLVED, that the church shall pay the following items as and for a minister's housing allowance to Pastors and other ministers duly licensed, ordained, or commissioned by the church, or by another duly authorized ordaining body exempt under Section 501(c)(3) of the Code: (1) all costs of purchasing a house, including, but not limited to, down payment, attorneys' fees, architectural drawings, and closing costs; (2) purchase, repair, and upkeep of furniture, appliances, and furnishings in the minister's home; (3) curtains, rugs, pictures, decorator items, and so forth; (4) utilities, including, but not limited to, telephone, gas, electricity, water, sewage, garbage, and cable television; (5) cleaning supplies, brooms, light bulbs, and so forth; (6) real estate taxes, and principal and interest payments on mortgage loans, including "home equity" loans the proceeds of which are used for the purchase, renovation, or furnishing of the minister's home or for any housing allowance item listed in this paragraph, and rent where applicable; (7) repairs, maintenance, (including housing services rendered by church employees under church direction) insurance on home and contents (including renter's insurance where appropriate), gardening, landscaping, pest control, firewood, and fencing; and any other housing items allowed by the Code, IRS Private Letter Rulings, General Counsel Memoranda, Technical Advice Memoranda, or any other publications, pronouncements, rulings, or decisions by the Internal Revenue Service or any court of law.

BE IT FURTHER RESOLVED, that the foregoing resolution passed by the church be known as the "housing and utility allowance" of the church, and any reference to the "housing and utility allowance" be deemed to include the items and considerations enumerated in such resolution, and that all payments made pursuant to such resolution be so marked upon either the checks used to make such payments, upon the accounting records of the corporation, or otherwise memorialized in any church record(s) prior to such payment, notwithstanding, however, that any failure to so mark or memorialize shall not defeat the prior designation of the minister's housing allowance, so long as it was made pursuant to official action of the church, even if such action was informal, oral, or not in the context of an Annual or Special meeting of the church.

FURTHER RESOLVED, that the amounts set out in Schedule A to these minutes be and they hereby are designated as and for a minister's housing allowance for the licensed or ordained ministers of the church as indicated therein, as compensation paid to them for services rendered as ministers in the exercise of their respective ministries, pursuant to Section 107 of the Code, and the regulations thereunder.

FURTHER RESOLVED, that the housing and utility housing allowance(s) set out in these minutes and designated in the immediately preceding resolution shall be paid for the year (Designate Year) _____, and are also designated and shall be paid in each succeeding year until changed by the church.