

## **Housing Allowance Resolution Sample**

The following is a sample resolution to be adopted by the board of directors of any organization which employs a “minister” as defined by the IRS:

Whereas, section 107 of the Internal Revenue Code specifies that the amount of ministers’ compensation that is designated in advance by their employer as a housing allowance is not taxable in computing federal income taxes to the extent that it is used to pay for actual expenses incurred in owning or renting a home or apartment, and, in the case of ministers who own their home, does not exceed the fair rental value and maintenance of the home; and

Whereas, Rev. (Minister’s Name) is compensated by (Church or Organization Name) exclusively for services as a minister; and

Whereas, (Church or Organization Name) does not provide Rev. (Minister’s Name) with a parsonage; therefore, it is

Resolved, that the total compensation paid to Rev. (Minister’s Name) for calendar year \_\_\_\_\_ shall be \$ \_\_\_\_\_, of which \$ \_\_\_\_\_ is hereby designated as a housing allowance pursuant to section 107 of the Internal Revenue Code; and it is further

Resolved, that the designation of \$ \_\_\_\_\_ of Rev. (Minister’s Name)’s annual compensation as a housing allowance also shall apply to all future years that Rev. (Minister’s Name) is employed by (Church or Organization Name), unless otherwise provided.