



## INSTRUCTIONS FOR COMPLETING PASTOR'S SUPPORT WORKSHEET

Complete worksheet ANY TIME THERE IS A CHANGE OF APPOINTMENT (conference session or interim appointment) and ANY TIME THE

- 1 **Local Church Salary:** The total budgeted by the church/charge as **GROSS salary**. Gross salary is before reductions are made for the pastor's personal UMPIP investment and/or personal share of insurance premiums (40%) and medical spending amounts. Add UMPIP on lines 13 and 16 and personal premiums and/or medical spending amounts on line 17.
- 2 **Conference Salary Supplement:** Amounts paid by the Conference for equitable compensation.
- 3 **Do NOT include premiums paid by the pastor and REMITTED by church to the Conference Insurance Office.** This line is only for those Pastors whose personal share (40%) of Blue Cross/Blue Shield premiums is paid by the church in addition to Gross salary. They are taxable benefits. Other taxable benefits include: utilities paid, social security amounts, and bonus/gifts.
- 4 **Total: Add lines 1 through 3. Equitable Compensation minimum salary levels based on this total in 2007.**

FE-MDiv	\$35,006	FL (MDiv)	\$30,607	PM Seminary	\$25,281
PM-MDiv	\$33,011	AM AF OA	\$31,698	SP Seminary	\$24,077
FE EP OE OF	\$32,717	FL (Completed Studies)	\$29,796	SP College	\$20,924
PM PE	\$32,134	FL (Beginning)	\$25,831	SP @dependant child supple	\$600
- 5 **Amount paid by church for pastor's continuing education.** Must be voucher, with receipts, to be non-taxable. **The Annual Conference requires each local church to support financially the continuing education needs of the pastor.**
- 6 **Amount paid by church for pastor to attend annual conference.** Must be voucher, with receipts, to be non-taxable. **The Annual Conference requires each local church to reimburse the pastor for annual conference expenses.**
- 7 **Other Vouchered Expense** (exclude amounts listed on lines 5 and 6). If the church(es) budgets an amount for an Accountable Reimbursement Plan, the pastor must complete vouchers, with receipts, to get reimbursed. The church must have an approved written policy.
- 8 **Total of Lines 5-7:** Reimbursable Business Expenses paid through an Accountable Reimbursement Plan are **not** included on pastors' W-2.
- 9 **Total Compensation and Reimbursable Expenses:** Add line 4 plus line 8.
- 10 **Parsonage:** If parsonage is provided, multiply Line 4 by 25% to determine the parsonage inclusion for the Clergy Retirement Security Program (CRSP) and Comprehensive Protection Plan (CPP) compensation calculation.
- 11 **Cash Housing Allowance:** The amount paid by the church in lieu of providing a parsonage. **If parsonage is provided, this line is \$0.** (This is not
- 12 **Pension (CRSP/CPP/UMPIP) Plan Compensation:** Add line 4 plus housing compensation (line 10 OR 11). This is used to determine pension.
- 13 **Pastor's Annual United Methodist Personal Investment Plan Contribution:** Multiply line 12 by desired contribution amount (minimum 3%) to determine UMPIP. May be tax deferred "403b"; if so, enter this same amount on Line 16.
- 14 **Pastors Monthly United Methodist Personal Investment Plan Contribution:** Divide the total on line 13 by 12 to calculate the pastor's monthly UMPIP amount.
- 15 **Housing Allowance Resolution Amount:** Amount approved annually by the Charge Conference which establishes the housing related expense exclusion limits. *Must be in writing.*  
**The maximum exclusion is restricted by the lesser of the three following limitations:**
  - 1) The amount designated by resolution as a "housing allowance"
  - 2) The amount actually spent for qualified expenses in "providing a home."
  - 3) The fair market rental value of the home or parsonage (furnished, plus utilities)
- 16 **Salary Reduction Accounts:** Includes personal UMPIP investment found in GROSS salary (Line 1). Pre-approved plans which withhold from pastor's salary and contribute to a 403(b) tax deferred pension account and/or other qualified plans on behalf of the pastor. It is NOT reported as taxable income, but to qualify there MUST BE A SALARY REDUCTION AGREEMENT AND BILLING FORM ON FILE.
- 17 **Would include amounts in Gross Salary (Line 1) for Health Care Flexible Spending Plan or Premium Reduction Plan, etc., made with a written salary reduction agreement (per IRS Code Section 125).** Normally requires third party administration and must have necessary written documents in place to be an IRS qualified plan.
- 18 **Total for W-2: TAXABLE CASH SALARY:** Box 1 on pastor's W-2. Line 4 plus line 11 (if applicable) minus lines 15, 16, & 17 as applicable.

**NOTE: NON-TAXABLE CASH SALARY:** Equal to Housing Allowance Resolution amount (Line 15). This should be listed in Box 14 (Other) of the W-2. It is the responsibility of the pastor to report any unspent housing allowance amts. as excess housing income on his or her annual income tax return Form 1040 -Line 21.

**CASH SALARY:** Equal to total of Taxable and Non-Taxable cash salaries. This amount divided by pay periods should be equal net paycheck.