



Housing Allowance Definition

Who Qualifies as a Minister? (From IRS Publication 517)

Ministers defined. Ministers are individuals who are duly ordained, commissioned, or licensed by a religious body constituting a church or church denomination. Ministers have the authority to conduct religious worship, perform sacerdotal functions, and administer ordinances or sacraments according to the prescribed tenets and practices of that church or denomination. If a church or denomination ordains some ministers and licenses or commissions others, anyone licensed or commissioned must be able to perform substantially all the religious functions of an ordained minister to be treated as a minister for social security purposes.

How Much of a Minister's Salary Can Be Designated?

IRS Position – Publication 517 – The amount of designated housing allowance must be a specific dollar amount or a specific percentage of salary. If you own your home and you receive as part of your pay a housing allowance, you may exclude from gross income the *smallest* of:

1. The amount actually used to provide a home
2. The amount officially designated as a housing allowance
3. The fair rental value of the home, including furnishings, utilities, garage, etc

What Can Be Included in the Housing Allowance?

1. Rent or principal payments of the home
2. Real estate taxes & mortgage interest
3. Insurance on the home and/or contents
4. Improvements, repairs, and upkeep of the home and/or contents
5. Furnishings and appliances
6. Decorator items
7. Utilities
8. Other – anything else that maintains the home & contents



Housing Allowance Designation

NOTE: A complete and signed copy of this form must be received by InFaith no later than January 15.

I, _____ am a minister of the Gospel and I am eligible to receive a portion of my salary designated as a housing allowance under IRS code 107.

☐ A copy of my ordination documents/license/commission is enclosed. *(If this is your first time designating a housing allowance and you have not previously provided this documentation to InFaith.)*

I understand that I am fully responsible to justify the amount I am designating as a housing allowance to the IRS.

For calendar year _____ I designate _____ of my annual income from InFaith as a housing allowance. *(Designate either the ANNUAL \$ amount or the ANNUAL % you wish to have declared as housing allowance.)*

Signature

Date

(Return this completed form on or before January 15 to reports@infaith.org.)