

MINISTERS' TAX SEMINAR
By
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- I. Setting up your church books
 - A. Four columns per minister
 - 1. Salary
 - 2. Housing
 - 3. Auto
 - 4. Pastor's expense (not reimbursed)
 - a. medical
 - b. books
 - c. equipment
 - d. retirement
 - e. entertainment
 - f. dues (10%)
 - g. education
 - h. travel
 - i. etc.
 - B. Issuing W2 or 1099
 - C. The importance of a reimbursable expense plan
- II. Housing
 - A. Set your housing allowance 20% more than what you think you will need.
 - B. Exempt from income tax
 - C. If form 4361 is filed exempt from SS tax
 - D. What does not qualify
 - 1. domestic help
 - 2. food
 - E. What does qualify
 - 1. tax and interest (double deduction)
 - 2. lawn care (sex discrimination)
 - 3. insurance
 - 4. utilities
 - 5. supplies (vacuum cleaner to light bulbs)
 - 6. furniture
 - 7. repairs
 - 8. down payment
 - 9. escrow costs
- III. Ways of handling auto
 - A. Best—church owns vehicle
 - B. Second best—report auto expenses to church
 - C. Third best—do not keep any records and ask your tax preparer to bail you out!
- IV. How to handle your Social Security Tax calculation
 - A. Salary plus housing minus employee business expenses
 - B. Use worksheet to complete Schedule SE
- V. Tax planning
 - A. Retirement (403b)
 - B. Taking advantage of your housing allowance
 - C. Remember the ant