

THE LABORER DESERVES TO BE PAID



THE LABORER DESERVES TO BE PAID

LUKE 10:7

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HONORING THE CHURCH AND ITS MINISTRY

LET THE ELDERS WHO RULE WELL BE
CONSIDERED WORTHY OF DOUBLE
HONOR, ESPECIALLY THOSE WHO
LABOR IN PREACHING AND TEACHING;
FOR THE SCRIPTURE SAYS,
“ . . . THE LABORER DESERVES
TO BE PAID.”

1 TIMOTHY 5:17-18 NRSV

Church employees—both ordained and lay—devote their time and talents to ministry. With their compassion, experience and vision, they help make the world a better place.

At the center of this effort is the minister. The minister’s work goes far beyond preaching on Sunday and leading a mid-week Bible study. The minister is responsible for attending to both the spiritual health and day-to-day functioning of the congregation.

Leading a community of faith requires widely varying skills—from preaching and teaching to counseling and administration. Churches expect their minister to provide spiritual guidance, effective programming and a vision for the development of the church. For the church to have vital worship, financial stability, effective education and meaningful programs, the minister must also lead the people who serve as staff and volunteers.

Those who attempt great things for God deserve to be esteemed and honored by those who have called them to this service. In Paul’s letter to the church in Thessalonica, he writes, “. . . respect those who labor among you and have charge of you in the Lord and admonish you; esteem them very highly in love because of their work” (1 Thessalonians 5:12-13). By honoring their pastoral leaders, the congregation found peace and spiritual blessing as they worshipped, prayed, shared together and lived out the Gospel message in their secular culture. So it is today.

As congregational leaders, you determine how to compensate your minister and church staff. In doing so, you establish a value for the entire ministry of the church. For this reason, as a church leader, you have the responsibility to provide for the financial needs of your pastoral staff to the best of the congregation’s ability. The New Testament makes clear that those who serve in ministry deserve compensation for their labors.

For 100 years, The Ministers and Missionaries Benefit Board (MMBB) has counseled churches and their ministers about compensation and related matters. It is as true today as when MMBB was founded that both churches and their ministers benefit from a deliberate process to determine salaries, benefits and expense reimbursement policies. This booklet gives you the benefit of that experience by providing suggestions on how to determine and review compensation, how the Internal Revenue Code affects compensation and how to build your church's pastoral staff budget.

A crucial first step is for the church to establish a Pastoral Relations Committee, or, for churches with multiple staff, a Church/Staff Relations Committee. Through this committee, the church and minister can communicate openly about the minister's needs. Then the committee can advocate for fair compensation on the minister's behalf. The committee can help address:

- Compensation, including cash salary, housing and utilities. Most churches also provide a Social Security/Medicare tax offset.
- Ministry-related expenses, which are church expenses the minister incurs while doing ministry. Examples of these expenses can be found on pages 10-11. These expenses should be listed in the church budget—separate from the minister's compensation—and fully reimbursed.
- Benefits, including income protection, retirement benefits, flexible spending accounts for health and dependent care, and medical and dental benefits.

Through this process, the committee can promote the financial security of church employees and free them to do what they do best—provide for the spiritual well-being of the congregation.



COMPENSATION

Determining pastoral compensation is among the most important decisions that your church will make. It not only affects the minister's current financial status, but has consequences far into the future. The minister's cash salary also impacts his or her ability to save for retirement through MMBB's plans.

A pastor's compensation generally includes cash salary, housing and utilities. Factors to consider when making decisions about pastoral compensation include:

- The pastoral staff member's responsibilities, experience, education, expertise, effectiveness and years of service to the church
- The cost of living in your community
- The salaries of other professionals in your area with similar education, experience and responsibility
- The compensation paid by churches of similar size based on average Sunday worship attendance, membership, church budget, etc.
- The rate of inflation (change in the Consumer Price Index)
- Your church's financial resources

For more information, see the "Clergy Pay" section of MMBB's Web site, www.mmbb.org or call MMBB, toll free, at 800.986.6222 to ask about compensation comparisons with other churches.

The Consumer Price Index (CPI) and the average salaries of selected white-collar occupations—including school teachers, principals and superintendents—can be obtained from your state Department of Labor or the U.S. Department of Labor, Bureau of Labor Statistics, Washington, DC 20212. You may also visit the Web site at www.bls.gov. The rate of inflation reduces a salary's effective buying power—the income dollars that remain after federal, state and local taxes are paid.

MMBB RECOMMENDS:

That your church provide a cost-of-living increase and consider a merit increase.

Many churches with multiple pastoral staff members relate staff compensation to a percentage of the senior minister's pay. For example, a staff person responsible for planning, developing and leading ministries across a broad spectrum of congregational life might receive 75% to 85% of the senior minister's compensation; someone responsible for one or two aspects of congregational life and requiring minimum supervision, 70% to 80% of the base; and someone with entry level skills requiring substantial supervision, 65% to 75%.

If a church considers these factors and finds that appropriate pastoral staff compensation is not feasible in the current year, the church can establish a plan now to reach that goal over two or three years.

After setting the base compensation, the church should revisit compensation

issues each year and consider a cost-of-living increase. Due to the effects of inflation, a salary that doesn't keep pace is actually a reduction in pay. Many churches provide merit increases to recognize pastoral leadership in achieving church goals. Other considerations, such as completing a course of study that will be valuable to your church's ministry, may also deserve a compensation increase. Lay employees may also deserve a merit increase.

Social Security/Medicare Tax Offset

The government considers ordained ministers to be self-employed for Social Security/Medicare tax purposes, so ministers must pay their own Social Security/Medicare taxes. FICA taxes, familiar to most employers, do not apply to clergy. Clergy must pay Social Security/Medicare taxes according to the provisions of SECA. For many years, MMBB has urged churches to provide an offset to help their ministers pay their SECA tax, which is an amount equal to 15.3% of their compensation. In MMBB's 2008 survey of compensation, 65% of the responding churches provide a Social Security/Medicare tax offset to their ministers. MMBB recommends that the offset be a minimum of 50% of the total Social Security/Medicare (SECA) tax—an amount comparable to the FICA tax that an employer pays for lay employees.

The Social Security/Medicare Tax offset appears in the annual church budget separate from salaries. While it is taxable income to ministers, it does provide valuable assistance. The church decides whether or not to include a Social Security/Medicare tax offset in compensation reported for determining Benefits for Life premiums.

Flexible Spending Accounts

Churches can set up a Flexible Spending Plan that creates Flexible Spending Accounts (FSAs) for health care, dependent care or both to help church workers make the most of their compensation dollars. These accounts allow employees to set aside pre-tax dollars to cover unreimbursed health care and/or dependent care expenses. The money deposited in the account(s) is deducted from the employee's salary before taxes are taken out.

When the church establishes FSAs, employees decide how much to set aside each year from their paychecks for expenses incurred in the following year. Contributions to the account(s) are made through payroll deduction over the course of the year, and are not subject to federal income tax and Social Security/Medicare taxes, as well as state income taxes in most states. When the employee incurs an eligible expense, he or she submits documentation to the employer and is reimbursed tax-free.

The church sets the annual contribution limits for each account. For the health

MMBB RECOMMENDS:

That your church provide all ordained staff with a Social Security/Medicare tax offset of at least 50% of the tax.

care FSA, the church chooses the amount desired, and for the dependent care FSA, the IRS limits the maximum contribution to \$5,000. By IRS rules:

- FSA elections are made once each year. The member cannot stop contributing or change contribution amounts during the year unless the member has a change in family or employment status that meets IRS requirements, such as marriage or birth of a child.
- Any eligible claims not submitted by the claims filing deadline will not be considered for reimbursement.
- Any money left in the member's account after the deadline will be forfeited and returned to the employer.

MMBB RECOMMENDS:

That your church establish
Flexible Spending Accounts.

Contact MMBB for more information and a free sample FSA kit.

Steps in Annual Compensation Planning

1. Review how the pastoral staff budget is organized. See pages 12-13.
2. Review the pastor's housing or parsonage allowance. See pages 6-7.
3. Review the benefits program, including income protection, retirement, medical and dental insurances. See pages 8-9.
4. Set up a tax-saving Flexible Spending Plan, or, if one already exists, review flexible spending account levels for unreimbursed medical expenses and/or dependent care costs. See page 4.
5. Review expense reimbursement levels, and be sure the church has an accountable plan for reimbursement of ministry-related expenses. See pages 10-11.
6. Review how your pastoral staff's salaries have kept up with the cost of living. Compare Consumer Price Index (CPI) increases against salary increases. What percentage increase is needed to keep your pastor's income consistent with the increased cost of living?
7. Contact MMBB for information on obtaining compensation analyses using MMBB Plan churches of similar size (as measured by membership, worship attendance, church income, etc.).
8. Contact churches of similar size in your locale for other pastoral staff salaries, and look at the compensation high school teachers, principals and superintendents in your area are receiving.
9. Consider whether your pastor's work in meeting certain expectations and church goals merits an increase—percentage points in addition to the cost of living increase—because of high performance.
10. Develop recommendations for salary increases. Review how the increases would affect the Benefits for Life premium, Social Security/Medicare tax offset, etc.
11. Anticipate issues that might be raised about the recommended

changes, and develop strategies to handle them.

12. Consult with appropriate church leaders such as the moderator, finance committee chair and chair of the board of trustees.
13. Present the recommendations before the finance committee and the board of trustees.
14. Report compensation changes to MMBB promptly.

CLERGY HOUSING

Housing is an important part of clergy compensation. Section 107 of the Internal Revenue Code allows ordained ministers to exclude some or all expenses used to provide a home from income reported for federal income tax purposes. This exclusion can be of significant help to a minister and his or her family, but only if accounted for properly in the housing allowance.

Parsonages

For a minister living in a parsonage, the church does not report the rental value or any utility costs paid for or reimbursed by the church as income for federal income tax purposes. However, clergy must report the parsonage rental value, utilities and parsonage allowance as income for Social Security/Medicare tax purposes.

The church should base the parsonage rental value on what the parsonage could be rented for in the community. Consider annual adjustments to the parsonage rental value. A local real estate agent can help determine the fair rental value, or the church can use 1% of the market value of the parsonage. For example, if the parsonage market value is \$100,000, the monthly rental value would be \$1,000.

An accurate parsonage rental value does more for your pastor than save on taxes. This value, along with cash salaries and utilities, is reported to MMBB for Benefits for Life premium purposes. If your church reports a rental value that is less than the actual value of the parsonage, your minister's death, disability and retirement benefits will be lower. For example, if the parsonage's annual rental value is under-reported by \$5,000, the lump-sum death benefit to the beneficiary is \$20,000 less for a plan member at age 45. A larger death benefit can be particularly important if the member's surviving family must find alternative housing.

In addition to determining the parsonage rental value, you, the church, can also designate a part of your minister's cash salary as a parsonage allowance. The parsonage allowance covers anything purchased by the minister to

MMBB RECOMMENDS:

That your church designate a parsonage allowance.

maintain a home in the parsonage, such as furnishings or renters insurance. The amount of this allowance is excluded from the minister's taxable income to the extent that it can be justified by actual housing costs. For example, a minister living in a parsonage and receiving a cash salary of \$30,000 may have \$5,000 of the cash amount designated as a parsonage allowance. In that case, only \$25,000 will be considered taxable for federal income taxes, provided, of course, the \$5,000 is actually used for housing expenses.

MMBB RECOMMENDS:

That your church provide an equity allowance if your minister lives in a parsonage.

Equity Allowance

Unlike homeowners, ministers who live in parsonages usually do not have equity in their homes. This puts them at a disadvantage when they approach retirement because they must seek housing but have not had the opportunity to build equity over the years. Churches can help ministers who live in parsonages by providing an equity allowance in addition to the minister's compensation.

There are several ways to provide an equity allowance. The employer can make contributions on behalf of the minister to the Tax-Deferred Annuity (TDA), available from MMBB. TDA contributions and earnings are not taxable to the minister until withdrawn in retirement. Benefits paid to clergy in retirement may be eligible to be claimed as a tax-free housing allowance. A minister may choose to supplement the equity allowance by starting or increasing contributions to The Annuity Supplement (TAS).

MMBB RECOMMENDS:

That a minister living in his or her own home have a portion of his or her salary designated as a housing allowance reflecting the lesser of actual annual housing costs or the fair rental value of the property.

Housing Allowance

When your minister lives in his or her own home, a portion of the minister's compensation may be designated by your church, in advance, as housing allowance. The designated amount should include the cost of maintaining a home, including mortgage payments, taxes, repairs, insurance, furnishings, utilities, etc. For federal income tax purposes, the excludable amount is limited to the lesser of: (1) the amount designated by the church, (2) the amount actually spent on housing for the year by the minister, or (3) the fair rental value of a house, furnished, plus utilities such as gas, electricity, oil, telephone and water.

Your minister cannot exclude more than the church designates, so the housing allowance must be enough to cover items 2 or 3 above. Of course, any amount of the designated housing allowance that exceeds the lesser of 2 or 3 must be reported as taxable income by the minister. If audited by the Internal Revenue Service (IRS), it is the responsibility of the minister to document actual housing expenses. Your pastor must pay Social Security/Medicare taxes on this allowance.

BENEFITS

The Benefits for Life program has been established for the protection of ministers, lay employees and their families. Benefits for Life provides retirement benefits and also protects the minister and family in the event of disability or death before retirement. The premium for Benefits for Life is based on a percentage of total compensation.

Income Protection

Disability strikes more than the disabled church employee—it strikes the employee’s ministry. A church or church-related organization with a disabled employee—and no disability insurance—can face tough choices. This can lead to putting valuable work on hold or replacing a beloved employee, which can mean evicting a disabled worker and his or her family from church housing.

A plan is needed to protect both the church and the family of the minister in the face of this risk. Without it, churches would find it difficult to “respect those who labor among you and have charge of you in the Lord” should disability or death occur while the minister is actively serving. Benefits for Life provides substantial benefits if an employee becomes disabled or dies before retirement.

Retirement Plans

Honoring those who minister includes enabling them to retire with dignity. The Retirement Plan portion of Benefits for Life accrues retirement benefits for employees during their working years. At retirement, the plan provides a variable annuity. A variable annuity guarantees income for life and helps keep the buying power of the retiree’s money from losing ground against inflation.

Two other programs exist to supplement the foundational benefits provided by Benefits for Life —The Annuity Supplement (TAS) and the Tax-Deferred Annuity (TDA). All three plans are 403(b) retirement plans.

TAS is offered by MMBB to help ministers, missionaries and lay employees supplement their retirement savings. Pre-tax TAS contributions are elective deferrals that are excluded from members’ taxable income for federal income tax—and state and local income tax, where applicable—and are sent in by the employer. Members can also make after-tax contributions through their employers or directly to MMBB. All pre-tax TAS contributions and the earnings on pre-tax and after-tax contributions are tax-deferred, and, for clergy, are not reported for Social Security/Medicare tax. However, pre-tax TAS contributions by lay employees are reported as earnings for Social Security/Medicare tax purposes.

MMBB RECOMMENDS:

That churches fully fund a benefits program that provides retirement, disability and life insurance benefits.

Employers may make additional retirement contributions for their employees through TDA. Employers may establish a TDA to:

- Supplement their employees' retirement income from Benefits for Life and other sources.
- Encourage personal retirement saving by matching part or all of their employees' contributions to TAS.
- Help build equity toward retirement housing for a minister living in a parsonage.
- Recognize a special event, provide a service award or pay a bonus.

Contact MMBB for information on how to enroll in MMBB's plans.

MMBB RECOMMENDS:

That your church provide full health benefits for all staff.

Medical and Dental Plans

Medical and dental benefits are now more important than ever before. Medical care is allowing people to live longer with fuller lives, even after suffering serious accidents and illness. The price tag for this life-extending medical care is high—and rising dramatically.

PremierHealth medical and dental insurance has been selected by MMBB to help protect members and their families against the high and rising cost of care. By providing medical and dental coverage, your church benefits. When ministers know that they and their families can receive the health care they need, they are better able to serve the church. For more information on how to enroll in *PremierHealth*, see Resources (page 15) or visit the benefits section of www.mmbb.org.

MINISTRY-RELATED EXPENSES

A church budget that does not take ministry-related expenses into account places an unfair financial burden on the minister. All church expenses should be separate from pastoral compensation and fully reimbursed, and should not come out of the pockets of pastoral staff members.

An Accountable Plan

An accountable plan spells out which expenses the church will reimburse and how expenses will be documented and reported.

Ministry-related expenses support the work of the church. An accountable plan for those expenses keeps church workers from paying unnecessary tax. Without an accountable plan in place, all allowances or reimbursements for ministry-related expenses must be reported as taxable income to the minister on IRS Form W-2. If the minister claims the standard deduction, the expenses are not deductible. Even if the minister itemizes deductions, the full amount is not deductible.

To establish an accountable plan, the church board should pass an appropriate resolution containing the following criteria, required by the IRS:

- All expenses must have a business connection—they must have been incurred while performing services as an employee of the church.
- Adequate accounting of expenses must be made to the church within 60 days after expenses are paid or incurred—with documentary evidence, such as an account book, receipt, diary or similar record, to verify the amount, time, place and professional purpose of each expense.
- Excess reimbursement or allowance not spent on ministry-related expenses must be returned to the church within 120 days after the expenses are paid or incurred.

Any expense that does not meet these requirements must be reported as part of the minister's income and included on the minister's IRS Form W-2. For more information about accountable plans, see *Federal Reporting Requirements for Churches*, by Richard R. Hammar, available free of charge from MMBB.

MMBB RECOMMENDS:

That your church establish an accountable plan for all ministry-related expenses.

Automobile Reimbursement

The minister usually needs a car to perform his or her duties. Churches may reimburse this expense in one of the following ways:

- The church can budget an annual amount—separate from compensation. The amount must be sufficient to cover the actual ministry-related automobile expenses.
- The church can reimburse the minister for mileage driven on church business. MMBB recommends a mileage reimbursement in the amount allowed by the IRS, which changes from year to year. For the current mileage reimbursement rate, visit www.irs.gov.
- The church can purchase or lease a car for the minister and have the minister reimburse the church for personal mileage. Guidelines for this arrangement are in the booklet *Tax Guide for Ministers*, available from MMBB without cost.

Continuing Education

Your minister and your church both profit from the knowledge, training and experience that come from educational events. MMBB recommends that churches budget an annual amount for continuing education and that a specific number of days each year be set aside for this purpose. The amounts may be cumulative from year to year.

Conventions and Other Church-Related Meetings

Most churches expect their pastoral staff to represent them at denominational events such as association, area, regional and national annual and biennial meetings, and to keep them informed about denominational life. In addition, these meetings often provide renewed inspiration for the pastoral staff. The pastoral staff budget should include a reasonable amount to reimburse expenses for such events, including travel, housing, meals and registration fees.

MMBB RECOMMENDS:

That your church prepare a budget for, and fully reimburse, ministry-related expenses.

Books, Periodicals and Other Resources

These resources help with your pastoral staff's continuing education and improve the ministry of the church. Increasingly, churches include an item in the budget to help with these "tools of the trade." Ministers Council dues are included in this category.

Hospitality

Many churches provide an amount in the budget to assist the pastoral staff in hosting individuals and groups on behalf of the church. Often ministers entertain youth and other church groups in their homes.

PASTORAL BUDGET GUIDELINES

MABB recommends using these guidelines and the pastoral budget worksheet to build your pastoral budget.

MINISTER'S COMPENSATION

Cash salary should include both an annual cost-of-living increase and recognition of merit or appreciation of service, and should be comparable with the salaries of other similarly educated professionals in your area.

A Social Security/Medicare tax offset provides assistance to your minister who must pay his or her full Social Security and Medicare tax as a self-employed person. Most churches provide an offset for their pastors. The offset is reported as taxable income for federal income tax and Social Security/Medicare tax purposes.

A parsonage rental value is based on the fair rental value of the furnished parsonage.

A parsonage allowance is a portion of a minister's salary designated by the church to cover the cost of insurance, repairs, furnishings, etc., paid by the minister. It also includes utility costs if the pastor is paying for them. The allowance is excluded from taxable income only to the extent it is actually used.

Utilities include items such as heat, electricity, telephone, etc. When the church pays for utilities directly, the amount should be included as part of the pastor's total compensation.

Where there is no parsonage, the **housing allowance** designation should include the cost of maintaining a home, including mortgage payments, furnishing, utilities, etc.

BENEFITS

Benefits for Life provides retirement benefits and protects the minister and his or her family in the event of disability or death before retirement.

The Tax-Deferred Annuity (TDA) provides retirement benefits to supplement those available through Benefits for Life.

Health insurance should be provided by the church. MABB has arranged to make *PremierHealth* medical coverage available to ministers and lay employees of sponsoring churches and organizations. In addition, some regional organizations make group coverage available to those in their region.

ACCOUNTABLE PLAN EXPENSES TO BE REIMBURSED

Automobile reimbursement is for miles driven each year by the minister in performance of church business. A guideline could be the standard amount allowed for deduction by the IRS.

Convention expenses include the cost of attending denominational area, regional and national meetings, i.e., transportation, meals, housing and registration.

Continuing education should include an annual amount set aside for a course of study or educational conference to develop professional skills. Also, the equivalent of 10 days should be set aside each year for this purpose. Both funds and time may be accumulated for up to three years.

Books, periodicals and other resources are essential tools for the minister. A reasonable amount should be included in the budget for these items.

The hospitality fund provides for the cost to the minister of hospitality extended to individuals and groups on behalf of the church.

Other expenses unique to a particular ministry also should be included for reimbursement, including Ministers Council dues.

PASTORAL BUDGET WORKSHEET

MINISTER'S COMPENSATION

	This Year	Next Year
Cash salary	_____	_____
Housing (either a or b)	_____	_____
a. Parsonage rental value	a) _____	_____
Parsonage allowance		
Utilities allowance		
b. Housing allowance	b) _____	_____
Social Security/Medicare tax offset*	_____	_____
Total compensation**	\$ _____	\$ _____

BENEFITS

	This Year	Next Year
Benefits for Life premiums	_____	_____
Tax-Deferred Annuity Plan contributions	_____	_____
Medical and dental premiums	_____	_____
Total benefits	\$ _____	\$ _____

ACCOUNTABLE PLAN EXPENSES TO BE REIMBURSED

	This Year	Next Year
Automobile _____ miles at _____ cents per mile	_____	_____
Convention expenses	_____	_____
Continuing education	_____	_____
Books, periodicals, other resources	_____	_____
Hospitality fund	_____	_____
Other expenses	_____	_____
Total reimbursement for ministry-related expenses	\$ _____	\$ _____

* Employers choose whether or not to include the Social Security/Medicare tax offset for determining Benefits for Life premiums.

** This amount is used to determine Benefits for Life premiums.

CHECKLIST FOR CHURCHES

- | Yes | No | |
|-----------------------|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input type="radio"/> | <input type="radio"/> | Is your pastoral staff's compensation (cash salary, housing and utilities) comparable to other professionals in your community with similar education, experience and responsibilities? |
| <input type="radio"/> | <input type="radio"/> | Does your church provide a Social Security/Medicare tax offset of at least 50% of your minister's Social Security/Medicare tax liability? |
| <input type="radio"/> | <input type="radio"/> | Have your church and pastoral staff agreed on a policy for days off and vacation time? |
| <input type="radio"/> | <input type="radio"/> | If your church provides a parsonage, is a realistic rental value reported to MMBB for Benefits for Life purposes? |
| <input type="radio"/> | <input type="radio"/> | Does your church provide an equity allowance if your minister lives in the church's parsonage? |
| <input type="radio"/> | <input type="radio"/> | Does your church pay for all utilities if your minister lives in a parsonage? |
| <input type="radio"/> | <input type="radio"/> | Does your church provide Benefits for Life for all members of the pastoral staff? |
| <input type="radio"/> | <input type="radio"/> | Has the church established a flexible spending plan for all staff to allow tax-saving health care and dependent care flexible spending accounts? |
| <input type="radio"/> | <input type="radio"/> | Does your church provide medical and dental coverage for all members of the pastoral staff? |
| <input type="radio"/> | <input type="radio"/> | Has your church budgeted for the following ministry-related expenses for all pastoral staff?
Automobile reimbursement
Continuing education
Convention and other denominational events
Books, periodicals and other resources
Hospitality
Other _____ |
| <input type="radio"/> | <input type="radio"/> | Are all agreements regarding compensation, ministry-related expenses, benefits and other items regarding your pastoral staff in writing? |

RESOURCES

MMBB member service representatives (MSRs) will be glad to assist you. Send an email message to service@mmbb.org or call, toll free, at 800.986.6222. To obtain information about *PremierHealth* medical and dental insurance, call UMR at 866.868.0502.

Available free of charge from MMBB:

- *Tax Guide for Ministers* by Richard R. Hammar
- *Federal Reporting Requirements for Churches* by Richard R. Hammar
- Sample Flexible Spending Accounts Kit
- Social Security Information: What Ministers Need to Know
- *The MMBB Guide for Church-Related Employers*
- Salary information periodically sent by MMBB to clergy members and their employers.

Available free of charge from the Internal Revenue Service, 800.829.3676, or at www.irs.gov:

- *Social Security and Other Information for Members of the Clergy and Religious Workers* (Publication 517)
- *Circular E, Employer's Tax Guide* (Publication 15)
- *Your Federal Income Tax for Individuals* (Publication 17)
- *Travel, Entertainment, Gift and Car Expenses* (Publication 463)
- *Medical and Dental Expenses* (Publication 502)
- *Child and Dependent Care Expenses* (Publication 503)

Other Resources:

- *Work of the Pastoral Relations Committee* by Emmett V. Johnson.
A booklet available from Judson Press, American Baptist Churches Mission Center, P.O. Box 851, Valley Forge, PA 19482-0851.
Telephone: 800.458.3766, www.judsonpress.com.
- Compensation analyses, which MMBB can prepare for churches in your region.

NOTES



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