**Housing Allowance Template**

Whereas section 107 of the Internal Revenue Code permits a minister of the gospel to exclude from gross income the rental value of a rectory furnished to him as part of his compensation, and a church-designated rectory allowance represents compensation for ministerial services; is used to pay rectory-related expenses such as utilities, repairs, furnishings; and does not exceed the fair rental value of the rectory (furnished, plus utilities); and

Whereas Name is compensated by First Church exclusively for services as a minister of the gospel; and

Whereas First Church provides NAME with rent-free use of a church-owned rectory as compensation for services that he renders to the church in the exercise of his ministry; and

Whereas, additional compensation to NAME for services that he renders to the church in the exercise of his ministry, First Church also desires to pay NAME an amount to cover expenses he incurs in maintaining the rectory, therefore, it is hereby

Resolved, that the annual compensation paid to NAME for calendar year 20\_\_ shall be $ XX, of which $XX is hereby designated as a rectory allowance pursuant to section 107 of the Internal Revenue Code; and it is further

Resolved, that the designation of $XX as a rectory allowance shall apply to calendar year 20\_\_ and all future years unless otherwise provided by this board; and it is further

Resolved, that as additional compensation to NAME for calendar year 20\_\_ and for all future years unless otherwise provided by the board, NAME shall be permitted to live in the church-owned rectory located at ADDRESS, and that no other rent or other fee shall be payable by NAME for such occupancy and use.