

Pastor's Compensation Agreement Form
Accountable Reimbursement Plan Resolutions for Travel and Professional Expenses
January 1, 2012 to December 31, 2012

Adopt one of the Following Resolutions:

A. Unlimited Travel Reimbursement with Limited Professional Expenses Reimbursement:

The Chairman of the _____ has informed the Local Conference that according to Sec. 62(a)(2)(a) of the IRS Code, an employee that adequately accounts to the employing body of his professional expenses is allowed a deduction from gross income. Sec 62(C) further requires an employee to return any excess reimbursement or advance to the employer within a reasonable time. Reg. 1-62-2(d)(3) further requires that no part of an employee's salary be re-characterized as being paid under this reimbursement arrangement. Motion was made, seconded and approved by the Local Conference to adopt the following: *"Resolved that in addition to the salary provided as an employee, the _____ E.C. Church will reimburse the pastor for an unlimited amount for auto/travel expenses incurred related to his duties and responsibilities and \$ _____ for professional/business expenses, considered ordinary and necessary for him to carry out his duties. Expenses must be substantiated to the Church Treasurer as to the date, amount and purpose within 30 days after they are incurred. Any excess reimbursement must be refunded to the church within 60 days after the expenses are paid or are incurred. This resolution shall be good and valid for the upcoming salary year and all years afterward unless changed by this body."*

Date: ____/____/____

Signed: _____

Name and Position/Title

Pastor

B. Limited Travel and Professional Expense Reimbursement:

The Chairman of the _____ has informed the Local Conference that according to Sec. 62(a)(2)(a) of the IRS Code, an employee that adequately accounts to the employing body of his professional expenses is allowed a deduction from gross income. Sec 62(C) further requires an employee to return any excess reimbursement or advance to the employer within a reasonable time. Reg. 1-62-2(d)(3) further requires that no part of an employee's salary be re-characterized as being paid under this reimbursement arrangement. Motion was made, seconded and approved by the Local Conference to adopt the following: *"Resolved that in addition to the salary provided as an employee, the _____ E.C. Church will reimburse the pastor \$ _____ for auto/travel expenses incurred related to his duties and responsibilities and \$ _____ for professional/business expenses, considered ordinary and necessary for him to carry out his duties. Expenses must be substantiated to the Church Treasurer as to the date, amount and purpose within 30 days after they are incurred. Any excess reimbursement must be refunded to the church within 60 days after the expenses are paid or are incurred. This resolution shall be good and valid for the upcoming salary year and all years afterward unless changed by this body."*

Date: ____/____/____

Signed: _____

Name and Position/Title

Pastor