

2012 Pastoral Worksheet for Calculating Cash Salary, Housing Declaration & Social Security

(Read and review the instructions before completing this worksheet)

Pastor: _____ Church: _____

**I. CASH SALARY – calculation – use ONE of the following 4 options- the Local Church determines the option
For pastors living in a parsonage, use options I.a. or I.b. only.**

For pastors given a Housing Allowance, use any of the 4 options and see further instructions below.

a) PERCENTAGE INCREASE

2011 Cash Salary \$ _____ X 1.0% increase = 2012 increase \$ _____

2012 increase \$ _____ + 2011 Cash Salary \$ _____ = **2012 Cash Salary \$ _____**

b) PERCENTAGE INCREASE + MERIT RAISE

2011 Cash Salary \$ _____ X 1.0 % increase + merit raise _____ % or \$ _____ = 2012 increase \$ _____

2012 increase \$ _____ + 2011 Cash Salary \$ _____ = **2012 Cash Salary \$ _____**

Enter 2012 Cash Salary figure on Worksheet: (III. Social Security line a) AND IV. Taxable Salary line A.

Enter 2012 Cash Salary figure on 2012 Statement of Pastoral Compensation, line A

c) PERCENTAGE INCREASE INCLUDES 2011 CASH SALARY + HOUSING ALLOWANCE

2011 Cash Salary \$ _____ + 2011 Housing Allowance \$ _____ = 2011 Total \$ _____

2011 Total \$ _____ X 1.0 % increase = 2012 increase \$ _____

2012 increase \$ _____ + 2011 total \$ _____ = 2012 Total \$ _____

Determine how much of the new total is the **2012 Cash Salary** and how much is the 2012 Housing Allowance.

2012 Total \$ _____ = **2012 Cash Salary \$ _____** + 2012 Housing Allowance \$ _____

d) PERCENTAGE INCREASE INCLUDES 2012 CASH SALARY + HOUSING ALLOWANCE + MERIT RAISE

2011 Cash Salary \$ _____ + 2011 Housing Allowance \$ _____ = 2011 Total \$ _____

2011 Total \$ _____ X 1.0 % increase + merit raise _____ % or \$ _____ = 2012 increase \$ _____

2012 increase \$ _____ + 2011 total \$ _____ = 2012 Total \$ _____

Determine how much of the new total is the **2012 Cash Salary** and how much is the 2012 Housing Allowance.

2012 Total \$ _____ = **2012 Cash Salary \$ _____** + 2012 Housing Allowance \$ _____

For pastors given a Housing Allowance:

If the pastor is not designating part of his cash salary for housing, then use appropriate 2012 Cash Salary figure from I.a, I.b, I.c. or I.d as the Cash Salary and enter as follows:

-Enter 2012 Cash Salary figure on Compensation Worksheet Item III. Social Security line a & Item IV. Taxable Salary line A.

-Enter 2012 Cash Salary figure on 2011 Statement of Pastoral Compensation, line A

-Enter 2012 Housing Allowance amount from the church on Compensation Worksheet Item III. Social Security b. & Item V. Actual Salary to be Received, line B.

-Enter 2012 Housing Allowance amount from the church on 2012 Statement of Pastoral Compensation, line B.

If the pastor is designating part of his cash salary for housing, do not enter the 2012 cash salary figure as instructed above. Proceed to Section II. 2012 Declaration of Housing Allowance & complete adjusted cash salary & Housing Declaration

II. 2012 DECLARATION OF HOUSING ALLOWANCE

a) ADJUSTED CASH SALARY:

2012 Cash Salary (I.a, I.b, I.c or I.d from page 1) \$ _____
- (minus) Amount designated for Housing by pastor \$ _____
= **2012 Adjusted Cash Salary** \$ _____

Enter 2012 Cash Salary figure on Compensation Worksheet Item III. Social Security line a & Item IV. Taxable Salary line A.
Enter 2012 Cash Salary figure on 2012 Statement of Pastoral Compensation, line A

b) HOUSING DECLARATION:

Amount Designated by the pastor's Church + \$ _____
+ Amount Designated from Cash Salary by the Pastor + \$ _____
= 2012 Housing Allowance Declaration = \$ _____

Enter 2012 Housing Allowance Declaration on Worksheet Item III. Social Security b. & Item V. Actual Salary to be Received, line B.

Enter 2012 Housing Allowance Declaration on 2012 Statement of Pastoral Compensation, line B.

III. SOCIAL SECURITY-calculation

a) 2012 Cash Salary + _____
b) Housing Allowance + _____
c) Rental Value of the Parsonage (if applicable) + _____
d) Utilities paid by the Church (if applicable) + _____
e) Personal Flexible Spending Account Contribution (if applicable) - _____
f) Pre-Tax Health Insurance premium Co-pay (paid by the pastor) - _____
g) Total = _____
h) X .0765 (1/2 of Social Security Rate) = _____

Enter the figure from III.h. on Worksheet below as IV-B Taxable Compensation

Enter the figure for III.h on 2012 Statement of Pastoral Compensation, line C.

IV. TAXABLE COMPENSATION

A. 2012 Cash Salary \$ _____
B. One-half Social Security (see Worksheet for Calculation) + \$ _____
C. Less Parsonage Furnishings Allowance** - \$ _____
D. Less Personal Pensions Contribution (W-2.Box 12A) - \$ _____
E. Less Personal Contribution Health Flexible Spending Account (FSA) - \$ _____
F. Less Health Insurance Premium Co-Pay (pre-tax) - \$ _____
G. Total Taxable Compensation (W-2, Box 1) \$ _____

(Housing Allowance is not included in Taxable income. It is reported in Box 14 of the W-2.

Any unused portion of the Housing Allowance is reported by the pastor on Line 21 of his IRS Form 1040 as Other Income

V. ACTUAL SALARY TO BE RECEIVED

A. Total Taxable Compensation (figure from IV. G) \$ _____
B. Housing Allowance OR Parsonage Furnishing Allowance + \$ _____
TOTAL \$ _____

For those living in a parsonage: (Amount of cash salary excludable for parsonage furnishing allowance as designated by the Local Conference \$ _____ in accord with IRS Code Section 107 and not included in taxable income, Box 2, W-2, but reported in Box 14, W-2, along with the Parsonage Rental Value)

VI. NON-COMPENSATION ITEMS (if applicable, include in Social Security Computation)

A. Parsonage Rental Value (those living in church supplied housing) \$ _____
(Fair Rental value appraisal required every 3 years)
B. Parsonage Utilities (paid by the church, estimate) \$ _____
C. Vacation Number of Weeks _____
(Vacation Year: July 1 to June 30 (NC Rule 1002.1))

Attach the Compensation Worksheet pages to the Statement of Pastor's Compensation Package Form.
The signatures below represent approval of these 2012 salary calculations by the Local Conference.

Pastor : _____ Date _____