Clergy tax file: housing allowance, SE tax and Form 4361

Keep the first group in a permanent file. Gather the rest each year, and ask the church treasurer for the resolution before the year starts.

Client or engagement

Permanent file

- [ ] Ordination, license or commissioning certificate
  Shows you are a minister for these rules
- [ ] Form 4361 as granted by the IRS, if you are exempt from SE tax
  The copy the IRS returned to you; or a note that none was filed
- [ ] Notice to your ordaining body that you oppose public insurance
  Exempt ministers only; a copy of the letter as sent
- [ ] Signed IRS statement certifying the grounds for exemption
  The statement the IRS mailed after you filed Form 4361
- [ ] Last year’s return with Schedule SE
  And the ministers’ SE worksheet

Church pay and housing allowance

- [ ] Form W-2 from each church or ministry employer
  Box 14 may show the housing allowance or parsonage value
- [ ] Board minutes or resolution designating the housing allowance
  Adopted before the period it covers
- [ ] Mortgage statements or rent receipts
  All payments for the year
- [ ] Utility, insurance, repair and furnishing receipts
  Your actual cost of providing the home
- [ ] Fair rental value letter or comparable listings
  For a home you own or a parsonage
- [ ] Church accountable plan and expense reports
  Reimbursed amounts are not income

Itemized deductions

- [ ] Form 1098 mortgage interest statement
  Deductible on Schedule A even when paid with the allowance

- [ ] Property tax bills and proof of payment
  Also deductible on Schedule A
- [ ] Your own charity receipts
  Tithes and gifts; from 2026, cash gifts count even without itemizing, up to the cap

Fees and ministry expenses

- [ ] Form 1099-NEC from churches that paid you as a guest speaker
  One per payer that issued one
- [ ] Fee log for weddings, funerals and baptisms
  Date, event, payer and amount, even without a form
- [ ] Receipts for costs tied to those fees
  Travel, books, robes
- [ ] Mileage log for hospital visits and church business
  Date, purpose and miles
- [ ] Receipts for unreimbursed ministry costs as an employee
  Used only to reduce SE income

Tax payments and retirement

- [ ] Estimated tax payment confirmations
  Or the voluntary withholding agreement with the church
- [ ] Church retirement plan statements
  Contributions shown on your Form W-2
- [ ] Retired ministers: Form 1099-R and the plan’s housing designation
  The part of the pension the church pension board designated as a rental allowance