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## ACCSS Newsletter January 2019

As we approach the 2019 tax season, I thought it would be a good idea to provide everyone with some information on Parsonage/housing allowance.

Per California State law AB 243 all State Chaplains qualify for applying up to half their salary for clergy housing allowance. Please note that there are specific expenses and limits to what can qualify for housing allowances. These include the total yearly costs of your mortgage/rent (of your primary residence), utilities, land line phone (NOT cell phones), major appliance purchases, and any costs related to remodeling/repairing your home.

Please remember that you should always check with a tax professional before claiming an expense as a part of your housing allowance and if you have any questions about parsonage. In California, the housing allowance applies to both federal and state income tax and this can make a big difference in whether or not you will owe any taxes at all.

Please note that neither ACCSS or I is offering any tax advice – this information is solely offered for informational purposes and you should carefully consult a tax professional who is understands the tax rules related to clergy housing allowance/parsonage. If you do not properly file your taxes you may end up owing additional monies.

Attached is the text of AB243 and a generic tax letter you can modify each year.

Wishing you all the best in the coming year.

In Blessing, Chaplain Paul Gordon