

CALLED AND INSTALLED PASTOR
2026 ANNUAL COMPENSATION WORKSHEET
PRESBYTERY OF FLORIDA

Note: This worksheet is provided to Ministers of Word and Sacrament and Clerks of Session as a guide for calculating the annual terms of call. It is not intended to provide Social Security or income tax advice. For income tax information, please refer to Internal Revenue Service publications or seek the advice of a competent tax advisor. A form-fillable version of this document is available on the Presbytery website.

<i>Personal Compensation</i>

\$ _____ Line 1: Annual Cash Salary

This is the actual cash amount of compensation paid to the Minister annually. It does not include any reimbursement for expenses or compensation for housing. This is part of the Board of Pensions' total effective salary and part of the Minister's compensation package. **Lines 1 and 2, when added together, must meet or exceed the Presbytery minimum effective salary. The Presbytery's minimum effective salary for 2026 is \$43,562.59.**

\$ _____ Line 2: Housing Allowance (see Housing Allowance Resolution on p. 5)

Enter here the amount specified for the Minister's housing in one of the following two (2) ways:

- a. Personally-owned or rental housing** – This amount shall not exceed the lesser of the:
- i. actual cost to maintain a home (including mortgage payments, utilities, furnishings, and appurtenances)
 - OR
 - ii. fair rental value of the home, plus utilities, furnishings, and appurtenances.

IRS regulations should be consulted, but household expense are generally considered furnishings and appurtenances, with the exceptions of food and maid service. The Housing Allowance is used with the Annual Cash Salary to calculate the Total Effective Salary for determining dues for the Board of Pensions.

OR

- b. Use of Manse** – The value of such housing shall be based on 30% of the cash salary, utilities, furnishings, and appurtenances (to the extent *provided by the church*) and any other amounts listed in lines 3, 4, and 5. This dollar amount is used to calculate the Total Effective Salary and is part of the Minister of Word and Sacrament's compensation package, per IRS regulations.

Further, when a manse is provided, an allowance shall be provided for utilities, furnishings, and appurtenances (to the extent these are paid for *by the Minister*). IRS regulations should be consulted, but household expense are generally considered furnishings and appurtenances, with the exceptions of food and maid service. This allowance *is* included in determining the Total Effective Salary reported to the Board of Pensions for the calculation of dues.

Florida Presbytery Manse Equity Compensation Guidelines

When a congregation provides a manse rather than a housing allowance, the following guidelines are recommended to help offset the loss of home equity that pastors would otherwise build through home ownership in their community. To help address this equity gap, churches that provide a manse are encouraged to implement one or more of the following measures:

- \$ _____ i. **Annual Equity Allowance (Taxable Income):**
 Include in the annual salary a direct cash payment to the pastor/CRE/educator designated as an *equity allowance*.

 - This allowance provides individuals with the flexibility to save or invest toward future housing needs and is **taxable income** in the year it is paid.
- \$ _____ ii. **Retirement Savings Plan Contribution (Tax-Deferred):**
 Make an annual employer contribution to the pastor's *PC(USA) Retirement Savings Plan* as an *equity contribution*.

 - This contribution is **tax-deferred** and supplements the individual's long-term retirement and housing security.
- \$ _____ iii. **Equity Investment Account (Church-Managed, Taxable at Distribution):**
 Contribute annually to an *investment account* established by the church for the benefit of the pastor/CRE/educator.

 - Funds in this account may be used whenever the individual chooses to purchase a home. Distributions from this account are **taxable at the time of withdrawal**.

Note: All equity contributions are included in "Effective Salary" for the Board of Pensions dues calculations.

\$ _____ **Line 3: Other**

Enter here any additional compensation (such as dental, unless all employees receive dental) that is considered part of effective salary. (see [*Understanding Effective Salary*](#) published by the Board of Pensions.) This amount is included as part of the Total Effective Salary.

\$ _____ **Line 4: Additional SECA**

Enter here any amount *over* 50% of the Minister's SECA liability, if offered. Under the terms of the Self-Employment Contributions Act (SECA), Ministers are considered self-employed for social security tax purposes (they are considered employees for income tax purposes). A Minister's SECA liability is estimated by adding lines 1 and 2 and multiplying by 15.3% (Ministers should consult their CPA or attorney for more precise calculations). Presbytery of Florida compensation standards require that churches reimburse Ministers for the portion of their SECA tax liability that would have been paid by the employer (the church) if the Minister were a regular employee. For calculation of this amount, see the instructions for Line 7 below. Reimbursement of 50% of SECA liability is *not* part of the Total Effective Salary for calculating Board of Pensions dues. However, if the church wishes to provide more than 50% of the Minister of Word and Sacrament's SECA liability, the amount over 50% *is* included in the Total Effective Salary when determining Board of Pensions dues.

\$ _____ **Line 5: Deferred Income**

This includes such items as equity funds, annuities, retirement savings accounts, etc. List here any such annual contributions made by the church on behalf of the Minister. This is included as part of the Total Effective Salary used to calculate dues for the Board of Pensions. Deferred income must be specified on Line 5 of the Terms of Call form.

\$ _____ **Line 6: Total Effective Salary**

Enter here the sum of lines 1-5. This figure is the Total Effective Salary on which you will calculate the cost of participation in the Board of Pensions medical and pension program.

<i>Required Benefits</i>

\$ _____ Line 7: Major Medical

Effective January 2025, the Board of Pensions has restructured how Major Medical dues are calculated. Mandatory Pastor Participation for installed pastors is 16% of line 6. Other options are also available. The cost of additional coverage for a spouse, children, or family may be shared between the pastor and congregation, as negotiated. *In Plan Years 2025 through 2027, an Eligible Employer may continue to enroll a Minister Member in the Transitional Pastor's Participation plan, provided that the Minister Member was enrolled by that Eligible Employer in the Pastor's Participation in Plan Year 2024.*

Enter on Line 7 the amount of the chosen option (a, b, c, d, or e). This amount reflects the cost of participation in the medical program for the minister of Word and Sacrament. This amount is paid to the Board of Pensions annually.

- Pastor Only (17.5% of Line 6)
- Pastor Plus Children (17.5% of Line 6 + \$8,950)
- Pastor Plus Spouse (17.5% of Line 6 + \$11,000)
- Full Family (17.5% of Line 6 + \$20,600)
- Medical (37% of Line 6 for 2026; will increase to 41% for 2027) (*Transitional Pastor's Participation plan only through 2027*)

\$ _____ Line 8: Pension (includes Death and Disability, and Temporary Disability)

Enter the result of line 6 multiplied by 10%. This figure represents the cost of participation in the pension and disability programs for the Minister of Word and Sacrament. This figure is paid to the Board of Pensions.

\$ _____ Line 9: Required SECA

As indicated above (line 4), our Presbytery compensation standards require that churches reimburse Ministers of Word and Sacrament for 50% of their total SECA liability. Enter on this line the amount of line 6 multiplied by 7.65%.

\$ _____ Line 10: Total Required Benefits – total of lines 7 (a, b, c, *or* d), 8 and 9.

<i>Professional Reimbursements</i>

The IRS requires a plan of accountability for professional reimbursements (e.g., submitting receipts and tracking actual business miles traveled). Such reimbursement accountability plans shall include the following, *at minimum*:

\$ _____ Line 11: Automobile Expenses.

Can be handled in either of the following ways:

- 1) reimbursement to the Minister for miles traveled in the exercise of professional responsibilities at the prevailing IRS rate-per-mile or,
- 2) direct reimbursement of actual expenses.

Either method requires vouchers for expenses to be approved for reimbursement and a record of business and total miles driven.

\$ _____ **Line 12: Continuing Education Allowance (\$750 *annual minimum*)**
Enter the amount provided to reimburse the Minister for continuing education (seminars, classes, etc.).
This allowance may be accrued for up to 3 years for a total of \$2,250.

\$ _____ **Line 13:** Books and subscriptions for business and professional purposes.

\$ _____ **Line 14:** Other expenses deemed necessary to the work of the pastor.

\$ _____ **Line 15: Total Reimbursable Professional Expenses** – total of lines 11-14

Total Cost

\$ _____ **Line 16: Total Cost to the Church** – Enter the total of lines 6, 10, and 15.

Additional Provisions: Vacation and Study Leave – Enter the ***number of weeks*** provided for vacation, study leave, and family medical leave *at full compensation*. Presbytery of Florida standards require a ***minimum*** of four (4) weeks of vacation and two (2) weeks of study leave each year. These standards also require a ***minimum*** of twelve (12) weeks of *paid* Family Medical Leave, per the Book of Order (G-2.0804).

A helpful resource, <i>UNDERSTANDING EFFECTIVE SALARY</i> , can be found at: https://www.pensions.org .
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Housing Allowance Resolution

In order for a pastor's housing allowance to be recognized as tax exempt for the Internal Revenue Service, the session of each congregation must adopt a resolution stating the amount of the Effective Salary, and specifically the amount designated for Housing Allowance. This resolution needs to be adopted prior to the start of the payment of that amount and included in the minutes of the session.

Note: If only the Cash Salary changes in a given year, the resolution does not need to be redone, and the resolution will apply to all subsequent years. It only needs to be redone whenever the Housing Allowance changes.

Housing Allowance Resolution Sample

The following resolution was duly adopted by the Session of [Name of Church] at a regularly scheduled meeting held on [Day, Month, Year], a quorum being present:

Whereas, ministers who own or rent their home do not pay federal income taxes on the amount of their compensation that their employing church designates in advance as a housing allowance, to the extent that the allowance represents compensation for ministerial services, is used to pay housing expenses, and does not exceed the fair rental value of the home (furnished, plus utilities); and

Whereas, Pastor [First and Last Name] is compensated by [Name of Church] exclusively for services as a minister of the gospel; and

Whereas, [Name of Church] does not provide Pastor [First and Last Name] with a parsonage; therefore, it is hereby

Resolved, that the total compensation paid to Pastor [First and Last Name] for calendar year 20__ shall be [\$_____], of which [\$_____] is hereby designated to be a housing allowance; and it is further

Resolved, that the designation of [\$_____] as a housing allowance shall apply to calendar year 20__ and all future years unless otherwise provided.

PRESBYTERIAN CHURCH (U.S.A.) 2026 ANNUAL PASTOR TERMS OF CALL

The _____ Presbyterian Church of _____, Florida,
(Church PIN _____), being well-satisfied with your ministry among us, earnestly and solemnly desires you,

(Name)

to continue your pastoral services in the office of _____ for this congregation, promising you, in the discharge of your duty, all proper support, encouragement, and allegiance in the Lord. That you may be free to devote yourself to full-time ministry of the Word and Sacrament among us, we promise and obligate ourselves to pay the following:

A. Personal Compensation

Amount

- | | |
|---|-----------------|
| 1. Annual Cash Salary * | \$ _____ |
| 2. Housing * | |
| a. Personally-owned or rental housing | \$ _____ |
| OR | |
| b. Use of Manse (see worksheet) and utilities, furnishings, appurtenances allowance | \$ _____ |
| Manse Equity Compensation Options: | |
| i. Annual Equity Allowance (taxable income) | \$ _____ |
| ii. Retirement Savings Plan (tax-deferred) | \$ _____ |
| iii. Equity Investment Account (church-managed, taxable at distribution) | \$ _____ |
| 3. Other _____ | \$ _____ |
| 4. Additional SECA (above required 50%) | \$ _____ |
| 5. Deferred Income (paid by church) | \$ _____ |
| 6. Total Effective Salary (add lines 1–5) | \$ _____ |

B. REQUIRED Benefits

- | | |
|---|----------|
| 7. Major Medical | |
| <i>Pastor's Participation Plan</i> | |
| a. Pastor Only (17.5% of Line 6) or | \$ _____ |
| b. Pastor Plus Children (17.5% of Line 6 + \$8,950)* or | \$ _____ |
| c. Pastor Plus Spouse (17.5% of Line 6 + \$11,000)* or | \$ _____ |
| d. Full Family (17.5% of Line 6 + \$20,600) | \$ _____ |
| * May be paid by Eligible Employer, employee, or shared | |
| <i>Transitional Pastor's Plan*</i> | |
| e. Medical (37% of Line 6 [for 2026]) | \$ _____ |
| * In Plan Years 2025 through 2027, an Eligible Employer may continue to enroll a Minister Member in Transitional Pastor's Participation, provided that such Minister Member was enrolled by that Eligible Employer in Pastor's Participation in Plan Year 2024. | |
| 8. Pension 10% of Line 6 (including Death/Disability, and Short-term Disability) | \$ _____ |

9. SECA (7.65% of line 6) \$ _____
10. **Total Required Benefits** (add lines 7–9) \$ _____

C. Professional Reimbursement

11. Automobile Expense \$ _____
12. Continuing Ed (\$750 *annual minimum*, accruable for 3 years) \$ _____
13. Books and subscriptions \$ _____
14. Other _____ \$ _____
15. **Total Professional Reimbursement** (add lines 11-14) \$ _____

Total Cost to the Church (add lines 6, 10, and 15) \$ _____

D. Additional Provisions: Vacation and Study Leave

Vacation (4 weeks *minimum*) _____ (number of weeks)
Continuing Education (2 weeks *minimum*) _____ (number of weeks)
Paid Family Medical Leave (12 Weeks *minimum*) _____ (number of weeks)

APPROVED AND ACCEPTED:

_____	_____
Minister of Word and Sacrament	Date
_____	_____
Clerk of Session	Date
_____	_____
Moderator, Ministry of Congregational and Pastoral Care	Date

Please return pages 6 and 7 of this form NO LATER THAN MARCH 31 to:

Ministry of Congregational and Pastoral Care
Presbytery of Florida
PO Box 7
Chipley, FL 32438
Email: office@presbyteryofflorida.com

*** The Presbytery minimum effective salary for 2026 is \$43,562.59. When added together, Line 1 (Annual Cash Salary) and Line 2 (Housing) must *meet or exceed* that amount.**