

## M Parsonage Income

[REVISION 32](#)  
(10/01/14 –11/30/14)

Parsonage income is money paid by a church or other organization to church professionals for their expenses incurred while providing a service. This money is paid in addition to money paid for services rendered. Church professionals include, but are not limited to the following:

- Clergy
- Ministers
- Priests

Budget parsonage income as self employment when ANY of the following are met:

- There is no employer-employee relationship
- The participant is working from one's own recognizable business, trade, or profession
- The participant works for a business or another individual on a commission basis, but pays own withholding taxes for state, federal, and FICA

(See [Allowable Business Expenses](#) and [Reimbursements](#) for additional policy)

Key OT in the INCOME TYPE field on SEEI.

### EXCEPTION

Consider parsonage income as wages when the participant is employed by the church.

Key WA in the INCOME TYPE field on EAIC.

When parsonage income is paid to a third party for the budgetary unit's expenses, see [Vendor Payments](#).