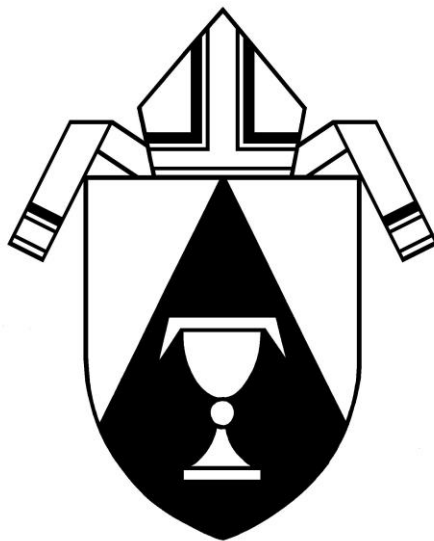


# **APPENDIX VIII**

## **REMUNERATION OF PRIESTS IN ACTIVE MINISTRY**





## DIOCESE OF SACRAMENTO

2110 Broadway • Sacramento, California 95818 • 916/733-0200 • Fax 916/733-0215

OFFICE OF THE BISHOP

Diocese of Sacramento

Decree of Promulgation  
Revised Remuneration Policy for Priests  
(January 1, 2018)

The *Remuneration Policy for Priests* for the Diocese of Sacramento was reviewed by the Priestly Life and Ministry Committee, with recommendations submitted for comment to the Presbyteral Council, and the entire Presbyterate through regular Deanery meetings over the course of several months.

Having received and heard their comments, concerns, and suggestions, I, the undersigned Bishop of Sacramento, have prepared the attached revised *Remuneration Policy for Priests* for the Diocese of Sacramento, and do hereby promulgate it to be effective January 1, 2018.

I further order that the current *Policy* included in the *Parish Financial Management Handbook* and as an Appendix to the *Priests Personnel Policy*, be removed and replaced by the same date on the diocesan website and in all future printed copies.

I further order that the Office of the Episcopal Vicar for Clergy and the Finance Office coordinate the publication of this policy to all relevant parties (e.g., priests, finance councils, bookkeepers) with appropriate catechesis to the faithful of the diocese in anticipation of the effective date.

Given at the Diocesan Pastoral Center in Sacramento, California, on this first day of September, in the year of Our Lord, two thousand seventeen.

Respectfully,

+Jaime Soto  
Bishop of Sacramento

Kathy Conner  
Chancellor

**Diocese of Sacramento**  
**Remuneration of Priests in Active Ministry**  
**July 1, 2023**

The Remuneration of Priests in active ministry is broken into four categories:

1. Compensation
2. Benefits
3. Reimbursements
4. Entitlements

Each category is unique with respect to its treatment for tax purposes. A detailed discussion of each follows.

**1. Compensation** is taxable and includes the following: base salary and funeral supplement at \$200 per month.

| A. <i>Base Compensation (1), (2), (3)</i> | Pastor/Special<br>Worker | Parochial Vicar |
|---|--------------------------|-----------------|
| Yrs of Svc*                               |                          |                 |
| 0-3 yrs                                   | \$37,722                 | \$34,523        |
| 4-6 yrs                                   | \$38,106                 | \$34,715        |
| 7-9 yrs                                   | \$38,490                 | \$34,907        |
| 10-12 yrs                                 | \$38,874                 | \$35,099        |
| 13-15 yrs                                 | \$39,258                 | \$35,291        |
| 16-18 yrs                                 | \$39,642                 | \$35,483        |
| 19-21 yrs                                 | \$40,026                 | \$35,675        |
| 22-24 yrs                                 | \$40,409                 | \$35,867        |
| 25-27 yrs                                 | \$40,793                 | \$36,059        |
| 28-30 yrs                                 | \$41,177                 | \$36,250        |
| 31-33 yrs                                 | \$41,561                 | \$36,443        |
| 34-36 yrs                                 | \$41,945                 | \$36,634        |
| 37-39 yrs                                 | \$42,329                 | \$36,826        |
| 40-42 yrs                                 | \$42,713                 | \$37,018        |
| 43-45 yrs                                 | \$43,097                 | \$37,210        |
| 46-48 yrs                                 | \$43,481                 | \$37,402        |
| 49-51 yrs                                 | \$43,865                 | \$37,594        |

- (1) Base Compensation is reduced by \$545 per month for those priests using a parish auto for ministry versus a personal vehicle.
- (2) Base compensation is reduced by \$200 per month for those priests electing to retain funeral offerings (honorariums); No annual COLA applied..
- (3) When a Pastor or Parochial Administrator is re-assigned as a Parochial Vicar, his salary will be adjusted to that of a Parochial Vicar according to the Base Compensation Schedule above.
- (4) “Yrs of Svc” refers to years of service from ordination date for both incardinated and extern priests in the Diocese of Sacramento.

**B. *Mass Offerings***

The Diocese adopts a Tier I and Tier II system for Mass Offerings only for all priests in active ministry assigned by the Diocesan Bishop.

The election to change between Tier I and Tier II can only be exercised at the beginning of each fiscal year or upon change of assignment.

Tier I – The priest retains the allowed Mass offerings only (i.e., one offering per day, regardless of the number of Masses in a day or the number of intentions per Mass). All other offerings received must be turned in to the priest's source of income. Under this method the offerings are not included on a Priest's Form W-2, and therefore, he is responsible for the reporting of offering income on his personal tax returns.

-or-

Tier II – The Priest turns in all offerings including Mass offerings to his source of income, and in lieu thereof, receives a guarantee fixed amount of \$300 per month which is included on Form W-2.

Also see "Assignment of Offerings" (Schedule "A")

**2. *Benefits* are non-taxable.**

**A. *Health, Vision, Dental and Prescription Insurance.***

Source of income pays the premium. The parish should pay the annual premium for religious order priests, but no more than the premium otherwise payable for diocesan priests.

**B. *Defined Benefit Pension Plan.***

Source of income pays the required annual contribution to the Diocese of Sacramento Priests Pension Trust. The parish should pay an equivalent amount directly to the Order for any religious Order priest if they have a priest pension plan, but no more than the premium otherwise payable for diocesan priests.

**C. *Annual Vacation Time.***

Priests 60 and under: 4 weeks (to include 4 Sundays)

Priests 61 and over: 6 weeks (to include 6 Sundays)

Priests 70 and over: 8 weeks

(Note: A priest may not accrue the Christmas and Easter break time and add it to their vacation period.)

**You must inform the Vicar Episcopal for Clergy at least four weeks prior to your scheduled vacation by submitting a vacation request form.** Please ensure that parish staff and advisory councils are informed timely and accordingly.

The Vicar cannot guarantee to supply a vacation replacement while you are on vacation. It is the individual priest's responsibility to arrange for a supply priest.

### **Vacation Supply Priest**

The following are to be followed in arranging for supply priests.

#### *"Statute #24"*

- 1. In order to exercise ministry in the Diocese of Sacramento, a visiting priest or deacon, including those who provide temporary coverage while assigned clergy are away on vacation or leave (e.g. "supply priests"), must be both in good standing with his diocese of incardination or religious community, and have provided evidence of this in written form to the proper official of the Diocese of Sacramento.*

*A recently issued "celebret" or letter of permission issued by the proper ecclesiastical authority is required.*

- 2. A priest or deacon who desires to remain for an indefinite period of time in the Diocese of Sacramento and at the same time, exercise official ministry must first have completed a background check in accord with the policies and procedures of the Diocese of Sacramento. Any priest or deacon intending to minister in the Diocese of Sacramento for more than one month is required to make a formal request of the Diocesan Bishop for faculties and provide appropriate information, as well as, authorization for a background check.*
- 3. The Diocesan Bishop may restrict the faculties of any priest or deacon in the Diocese of Sacramento.*

Supply priests who will be ministering in the diocese for 30 days or less are to provide the following:

1. A letter from their bishop/religious superior stating that he is in good standing with his diocese/religious community.
2. A recently issued "celebret" or letter of permission issued by the proper ecclesiastical authority.

Supply priests who will be ministering in the diocese for more than 30 days are to provide the following:

1. A completed background check conducted in accord with policies and procedures of the Diocese of Sacramento.
2. Make a formal request of the Diocesan Bishop for faculties.
3. Complete the Application for Ministry as a supply priest.

In order to receive remuneration, the priest must be a U.S. citizen, have an R1-visa sponsored by the Diocese of Sacramento or a permanent resident visa and present a valid SSN.

**NOTE:** A tourist visa does **NOT** allow for the individual to be employed in the United States.

**D. *Day Off.***

One day per week is understood as 24 hours. The priest is authorized to take a few days off (up to a maximum of five days) after Easter and Christmas, but not to extend over a weekend.

- 3. Reimbursements** are generally non-taxable amounts paid to reimburse the Priest for certain expenses incurred in performing his ministry. Proper substantiation of reimbursed expenditures is required in order to qualify as a non-taxable employee expense reimbursement on a priest's personal tax returns. Expenditures eligible for reimbursement with proper substantiation include:

**A. Automobile Expenses**

Priests in active ministry in the diocese of Sacramento have two options to cover their automobile expenses:

Auto allowance and gas reimbursement. Priests can choose to submit receipts for their gasoline expenses incurred in their exercise of ministry. The above noted base compensation schedule includes the auto allowance amount.

OR

Mileage reimbursement. Priests can choose to not submit gasoline receipts for reimbursement, but instead submit request for mileage reimbursement. Source of income will pay for mileage submitted and incurred in the course of ministry (paid at the current diocesan rate).

Priests will be able to choose one of the options either at the beginning of the fiscal year or at time of transfer to another parish. Under both options, car repair and maintenance are solely the responsibility of the Priest.

If a priest uses an automobile owned by the parish or his source of income then, \$545 dollars will be deducted per month from his base compensation as an auto expense.

**B. Auto Insurance.**

For a priest owning his own vehicle, source of income will reimburse the actual cost of insurance, not to exceed \$2,250♦ per fiscal year. A paid invoice must be submitted to the source of income in order to gain reimbursement. Priest may only apply for reimbursement for one vehicle only. Coverage limits must be the minimum requirement as detailed in Attachment "D". *(A portion of this reimbursement may be taxable to the extent that the auto is used for personal use.)*

**C. Annual Diocesan Retreat.**

Source of income reimburses at cost as substantiated.

**D. Continuing Education.**

Source of income reimburses up to a maximum \$1,500 per fiscal year. The last \$500 of the \$1,500 is given on a "matching funds" basis. This is construed to be theological continuing education; e.g. Priests Study Days. If a question arises as to the legitimacy of a particular educational expense, it is to be resolved by the director in charge of Continuing Education in the Diocese. Documented receipts must be provided for parish or other source of income records to gain reimbursement

**E. Dry Cleaning.**

Source of income reimburses documented expenditures for dry cleaning of clerical attire only. Expenditures for dry cleaning the personal clothing of a priest is a personal expense and is not reimbursable.

**4. Entitlements** (See Schedule "B" attached.)

**Reminders:**

- Reimbursements must be supported by adequate documentation.
- Taxable income results from personal use of a parish-owned vehicle. The priest should refer to his personal tax accountant for advice regarding this issue.

## SCHEDULE - A

### Assignment of Offerings

Canon Law (cf. canons 1380 and 1385) and theological doctrines define offerings as free gifts offered on occasion of pastoral ministry. The graces of the Church are offered as a gift by Christ, the Good Shepherd, for the benefit of the People of God. Priests must guard against both the illegitimate act of monetarily profiting from the Church's graces as well as any language or behavior that would create the perception of such profiting.

#### 1. Baptisms, Weddings, Quinceañeras, Funerals, House and Building Blessings, Car Blessings

The Diocese observes the particular law of the ecclesiastical Province of San Francisco of April 17, 2015, which defines the maximum limits on the amount of offering recommended for different sacramental and ritual occasions. According to the particular law of the Province, the diocesan bishop is allowed to set the maximum limit below that set by the province. In the Diocese of Sacramento, the maximum limits for the different occasions are as follows:

|                              |   |  |
|------------------------------|---|--|
| Baptisms                     | - | \$50   |
| Weddings                     | - | \$500 (the diocesan bishop may grant an exception to this norm for particular circumstances) |
| House and Building blessings | - | \$20   |
| Car blessings                | - | \$20   |
| Quinceañeras                 | - | \$250  |
| Funerals                     | - | \$200  |

- The aforementioned recommended offerings in this section are not to be required. They are not a precondition for receiving the sacraments or ritual blessings. All sacraments and sacramentals are offered by the priests without expectation of compensation.
- Any amount received up to the defined amount must go to the parish.
- Additional voluntary amounts given are also presumed to go to the parish, unless there is expressed proof of the donor's intention to do otherwise. However, such additional voluntary amounts may not licitly be requested or suggested. To do so is in violation of good pastoral practice and may be in violation of Canon Law.

#### 2. All Souls ♦

The traditional All Souls Offering for November 2 will go to the parish. Each priest will receive as part of his compensation in November of each year a \$600 dollar offering. Each priest is obliged in charity to offer within a year one Mass for every sum of \$20 he receives from the All-Souls offerings, that is, 30 Masses.

---

♦ Revised July 1, 2021



### **3. Funeral Offerings ♦**

**Option 1:** Retain current structure: increased base salary, all honorariums (funeral stipends) go to the parish.

**Option 2:** \$200 reduction in monthly base salary in favor of a priest's retaining his funeral offerings (honorariums) per 2008 policy.

### **4. Mass Bination Offerings**

Canon 951 ' 1 states, "A priest who celebrates several Masses on the same day can apply each to the intention for which the offering was given, but subject to the rule that, except on Christmas, he is to keep the offering for only one Mass and transfer the others to the purposes prescribed by the ordinary, while allowing for some recompense by reason of an extrinsic title." The Bishop has designated such offerings to be made to the parish (for those assigned to a parish) or to the parish of domicile (for those in special ministry).

## **SCHEDULE - B**

### **Entitlements**

The following entitlements are to be seen as a supplement to the existing compensation schedule for priests in active ministry.

#### **1. Meals**

- The ordinary expectation for priest(s) living in a rectory is that 3 meals a day be provided.
- It should be the ordinary practice that the priests living together in a rectory share at least three (3) meals in common per week.
- Meals need to be healthy and wholesome. Consideration of likes and dislikes of foods served ought to be decided in common.
- When meals are not provided in the rectory and the priest must dine in a restaurant, reimbursement is paid by source of income. Receipts must be presented in their original format to receive reimbursement.
- When meals are eaten outside of the rectory on a priest's day off, the expenses are the responsibility of the individual priest and are not reimbursable.
- When meals are provided in the rectory and a priest instead chooses to eat at a restaurant, the expenses are the responsibility of the individual priest and are not reimbursable.

- Entertainment Meals – The use of parish funds for periodic entertainment with either fellow priests or friends and family should be kept to a minimum. The receipt should include the purpose of the meal and the names of the guests.

## 2. Telephone

- Priests with an assignment in the diocese are required to have a cell phone. The cost of this phone will be reimbursed up to \$100 per month from the priest's source of income.
- The reimbursement is capped at \$100 per month total. However, if the priest's phone costs are less than \$100 they are reimbursed for the actual amount paid.
- The priest is required to provide a copy of his personal cell phone bill to receive the reimbursement.
- The priest is to reimburse the parish or source of income for any personal long-distance telephone calls made on the phone system of the parish or source of income.

## 3. Wine and other alcoholic beverages

- It is suggested that each parish rectory maintain wine and other alcoholic beverages which the priests of the house may use in moderation, including when they have personal visitors. Anything over and above this is the responsibility of the individual priest himself.

## 4. Animals and Pets

- The food and care of pets which a priest keeps are the responsibility of the individual priest himself. **NOTE: The priest will be required to pay the Parish for the cost of damages done to the rectory by his pet.**

## 5. Television/Computer/Internet

- Each house is to have a television, receiver, and media player(s) that are accessible to the priests of the house in common. If a priest chooses to have a television, receiver, and media player(s) in his quarters, this is the personal financial responsibility of the priest.
- Each rectory will provide for basic cable TV and Internet access into the quarters of each priest at parish expense. This does not include special, sport or ethnic related channels, pay-per-view, movie rentals or other services such as NetFlix. These are considered personal expenses of the individual priest.
- Pastor and Parochial Vicar will each be provided by the parish with a (one) computer for ministerial work. Note: If the parish pays for the computer it remains the property of the parish.
- All other electronic equipment/appliances are the responsibility of the individual priest himself. Note: Any equipment/appliances that are purchased by the parish remain parish property.

## **6. Expenses for Athletic Activities, Recreational and Social Clubs and Associations**

- Athletic equipment is the responsibility of the individual priest himself.
- Health club memberships and the like are the responsibility of the individual priest himself.
- All other club membership, fees, and dues for recreation, sports and social groups are the responsibility of the individual priest himself.

## **7. Furnishing and Maintenance of Quarters for a Priest**

- Individual priest quarters need to be cleaned regularly by a housekeeper.
- The individual quarters of the priest should be painted on a regular basis (As a general rule this should be done at the time of the arrival of a newly assigned priest or every six years).
- Furniture should be adequate and comfortable in each suite. Note: All furniture purchased by the parish remains the property of the parish.
- Carpeting drapes and mattress should be replaced and/or cleaned on a regular basis.
- The parish is to maintain an inventory of the furniture that belongs to the Parish. It is recommended that the individual priest himself maintain an inventory of the furniture which belongs to him. Note: All furniture purchased by the parish remains the property of the parish.

## **8. Laundry**

- Ordinary laundry service (not including dry cleaning) is provided by the Parish.

## **9. Medications/Prescriptions**

- Medications for priests are covered by the health insurance afforded the priests by the diocese. The deductible set by the insurance is the responsibility of the individual priest himself. All over-the-counter medications are the responsibility of the individual priest.

## **10. Personal Books and Magazines**

- Books and professional magazines used in the course of ministry for educational enhancement are provided for by the educational allowance as set out in the *Remuneration of Priests in Active Ministry, 3. Reimbursements, D. Continuing Education*. All other cost for personal interest books and magazines are the responsibility of the individual priest himself.

## **11. Tobacco Products**

- Costs are the responsibility of the individual priest himself.

## **12. Pilgrimage**

- From time to time a priest may request special permission from the diocesan bishop to be absent from the diocese, in addition to his absence for vacation, in order to lead a pilgrimage group. This permission may not be requested before completing two years of service in the diocese and no more often than once every three years. The request must be granted in writing by the diocesan bishop or his vicar for clergy before commitments are made.
- The amount of time allowed will be directly related the destination of the pilgrimage. For shrines in the Americas or the Philippines one week will be granted. For shrines in Europe or the Holy Land two weeks will be granted.
- The priest who provides supply during the absence of the priest on pilgrimage must be approved in good time beforehand by the Personnel Director for Priests. The priest going on pilgrimage must himself obtain the services of the priest who provides supply. The stipend for the supply priest is the expense of the Parish/Institution.

(If an irregularity is discovered regarding the compensation of a priest, justice would require that reimbursement be made to the Parish.)

## **13. Gifts for celebrations such as ordinations, retirement, birthdays, anniversaries, etc.**

- Under no circumstances may parish money be used to pay, in whole or in part, for ordination, retirement, birthday or anniversary celebrations or the gifts associated with those occasions.
- The costs of celebrations and gifts for those events in a priest's life may be provided voluntarily by parishioners and friends. For example, parishioners may organize a retirement dinner event in parish facilities where each parishioner donates towards the cost of the dinner. Parishioners may also donate towards the cost of a gift for the priest or personally give him a retirement gift at the dinner. No parish money may be used for these activities.

## **14. Bereavement Leave Policy for a Priest**

- It is the intent of the Diocese of Sacramento to accommodate and support a priest at the time of the death of a family member. This policy is established as a guideline for ensuring that a priest is able: (1) to take a reasonable amount of time for bereavement leave and (2) to leave his assignment in a parish or diocesan position in capable hands.
- **Family Members**

A priest may be granted a bereavement leave to enable him to tend to his family at the time of the death of a parent, grandparent or sibling.

- **Notification and Permission**

A priest must immediately notify his pastor, the local dean or the Vicar for Priests upon learning of the death or pending death. He shall discuss with his pastor, the local dean or the Vicar for Priests the details of his leave, including departure and return dates. The pastor, local dean or the Vicar for Priests grants the leave after reviewing the matter with the priest making the request.

- **Length of Leave**

One week, with up to two weeks for special circumstances, e.g. International travel.

- **No Solicitation of Funds**

The priest shall not solicit from the faithful directly or indirectly, financial aid to help defray the cost of his trip or for funeral expenses. The custom of assisting brother priests is respected.

- **Temporary Loan**

A priest may apply to the Diocese for a temporary loan to cover the costs of an airline ticket to enable the priest to get home. The repayment of this ticket will be automatically deducted in a proportionate amount from his monthly salary so that the loan is repaid within 12 months.

- **Disciplinary Action**

A priest is subject to disciplinary action by the Bishop if he chooses to disregard this policy or any part of it. Such action may include a reduction in annual vacation time or a reduction in monthly compensation. A priest may also be subject to other penalties determined to be appropriate by the Bishop.

**15. Bonuses**

Under no circumstances are parish funds to be used to provide Christmas or Easter bonuses to the parish priest, parochial administrator or parochial vicar.

**16. Moving Expenses**

Under no circumstances are parish funds to be used to cover the moving costs associated with a parish priest, parochial administrator or parochial vicar moving from one parish/location to another within the diocese or out of the diocese.

## **17. Other Expenses**

- Personal supplies - under no circumstances are parish funds to be used for personal supply items such as: soap, shampoo, shaving cream, toothpaste, etc. except to provide soap and shampoo for occasional guests.
- Personal clothing - under no circumstances are parish funds to be used for personal clothing.
- Travel expenses - under no circumstances are parish funds to be used for personal travel expenses even if the intention is to reimburse the parish for the costs at a later date.
- Car maintenance – under no circumstances are parish funds to be used to cover the costs associated with the maintenance of a priest's personal car, such as: road side service plans, oil changes, new tires, windshield repairs, etc.

## **18. Special Collections**

- Permission from the Bishop is required prior to a priest having a special collection for his religious order or home parish. In no way should this special collection be of benefit to the priest.

## Attachment - C

### Diocese of Sacramento Stipends for Supply Priests

A priest from the Diocese is expected, when able, to assist their brother priests in fulfilling their pastoral duties. Remuneration from such fraternal and pastoral collaborations should not be expected but may be offered. The following is a guide in this matter.

#### I. A Priest from within the Diocese receives:

When the supply priest is covering on a daily or weekly basis:

|                            |  |
|----------------------------|--|
| Weekend Masses:            | \$50 per Mass + \$10 Mass stipend, if a Mass stipend is received   |
| Weekday Masses:            | \$15 per Mass + \$10 Mass stipend, if a Mass stipend is received   |
| Funeral Mass:              | \$50 for the supply priest (per service, \$10 stipend already included), the stipend should come from the parish. As outlined in these policies, the funeral offering is given to the parish (schedule A, 3) |
| Funeral Vigil:             | \$30, the stipend should come from the parish. As outlined in these policies, the funeral offering is given to the parish (schedule A, 3)  |
| Funeral Gravesite Service: | \$20, the stipend should come from the parish. As outlined in these policies, the funeral offering is given to the parish (schedule A, 3)  |
| Wedding/ Quinceañeras:     | \$50 per Mass + \$10 Mass stipend  |

Note:

- The priest may only take one (1) \$10 mass stipend per day
- The priest needing coverage must contact a priest from the deanery first for coverage or any of the retired priests.

Reimbursements:

For visiting or retired priest not residing in the rectory, the parish is responsible for reimbursing the priest for mileage from and to his place of residence (Current mileage rate x number of miles). If applicable, additional mileage to and from the parish mission church(es) from the rectory. Food/Meal reimbursements require receipts.

OR

When covering for a priest who is on vacation/sabbatical/pilgrimage:

(This would require a priest to be residing in the rectory and doing parochial ministry in the parish)

The monthly rate of a parochial vicar based on the current 0 – 3 years of service which already includes the automobile allowance. If needed to be pro-rated, should be based on the actual days of that month. Food/Meal reimbursements require receipts.

## **II. A Priest from outside the Diocese receives:**

The same compensation as above, as well as reimbursement for travel expenses in an amount arranged beforehand with the pastor.

## **III. Confessions and Penance Service**

When a priest provides weekend supply, he is asked to make himself available for confessions as part of his supply ministry. He receives no additional compensation.

When a priest participates as a confessor at a Penance Service, he does not ordinarily receive compensation. This is seen as part of his priestly ministry.



## Attachment - D ♦

### Required Coverage for a Priest Using His Own Vehicle for Ministry

Effective July 1, 2021 the maximum reimbursement amount for a Priest's auto insurance is increased from \$1,750 to \$2,250 per year. In addition, the requirement to name the Parish and Roman Catholic Bishop of Sacramento as additional insureds, is eliminated.

Reimbursement of the insurance premium for a Priests using his own vehicle for ministry is subject to meeting the following coverage requirements:

|                                     |  |
|-------------------------------------|--|
| Bodily Injury/Liability             | \$100,000 per person/\$300,000 per accident      |
| Property Damage                     | \$100,000 per accident                           |
| Medical payments                    | \$5,000 per person                               |
| Uninsured motorist                  | \$100,000 per person/\$300,000 per accident      |
| Collision                           | Full cash value, not less than \$500 deductible  |
| Comprehensive (excluding Collision) | Full cash value, not less than \$500 deductible. |

## Attachment E

### Valuation For Personal Use Of Employer Supplied Vehicle

The Internal Revenue Service requires all employers to add to Form W-2 or Form 1099-Misc, a valuation for personal use of employer supplied vehicles. The Diocese has adopted the lease valuation method to establish the value of the personal use of an employer supplied vehicle. The valuation is a product of the Annual Lease Value of the vehicle times the Percentage of Personal Use.

The "Annual Lease Value" is determined from an IRS table which must be obtained from the priest's personal accountant.

The "Percentage of Personal Use" should be determined by the individual using the vehicle. The calculation is as follows:

|  |       |            |
|--|-------|------------|
| Vehicle Year and Make  |       | _____      |
| Estimated value as of December 31                                    |       | \$ _____   |
| Annual lease value from table<br>(Obtained from personal accountant) | A     | \$ _____   |
| Percentage of personal use   | B     | x _____ %  |
| Value to be added to Form 1099-Misc<br>or Form W-2                   | A x B | = \$ _____ |