



PRIESTS' SALARY, CAR ALLOWANCE, MASS OFFERINGS AND STOLE FEES

1. Each priest is to be provided with a monthly salary in the amount established by the diocese annually. This salary is to be paid by the parish (or other institution) at or near the end of the month in whole to the priest.
2. Each priest will receive \$750 a month car allowance from the parish or institution which he serves. Per the IRS, this allowance will be 100% taxable to the priest unless he substantiates his business mileage to the parish or institution, which for our diocese will be on a monthly basis. It should be noted that the taxability of the allowance will be computed on a calendar year basis. Such annual business mileage times the current IRS standard rate (\$0.575/mile for 2020) will serve to reduce some or all of the \$9,000 (\$750/month x 12 months) taxable income. For example, if a priest travels 12,000 business miles in a calendar year, then \$6,900 (12,000 miles x \$0.575/mile) of the \$9,000 annual car allowance will be non-taxable to the priest. To the extent the priest travels more business miles than the mileage embedded in the annual car allowance, which for 2020 equals 15,652 miles (\$9,000 / \$0.575/mile), such excess business mileage can be reimbursed by the parish or institution. For those priests that serve more than one parish, the mileage incurred to travel from one location to another is considered business mileage. To the extent his total annual business mileage exceeds 15,652; such excess mileage can be reimbursed by the parish at the IRS standard rate.
3. As long as a pastor does not elect the \$130 a month in salary for Mass Stipends, a pastor who has the obligation of the Pro Populo Mass on Sundays and Holydays (c. 534) may accept an offering (stipend) for a second Mass celebrated on that day. If he does not receive an offering for a second Mass, he may increase his salary by five dollars (\$5) for each Pro Populo Mass celebrated.
4. In accord with canon 945 a priest who celebrates Mass for a specific intention is entitled to accept an offering. Priests have the option of turning all such offerings into the parish or institution which they serve and in lieu of such offerings, receiving \$130 a month in salary. Offerings turned into the parish or institution will then be considered as income in the general account.

The decision whether or not to accept Mass offerings is to be made annually. That is, a priest may not accept offerings one month and receive \$130 the next month, etc. At the beginning of each fiscal year, priests are to communicate their preference to the person responsible for the payroll of the parish or institution to which they are assigned.

This policy applies only to those priests assigned to an institution or parish.

5. Bination offerings will continue to be sent to the diocese for the care of sick and elderly priests.
6. "Fees should not be required for the celebration of the Sacraments. Any free-will offerings given

may be kept by the priest performing the sacrament unless it is clear that the offering was made to the Church.” (c. 531)

7. Other benefits are as follows:
 - A. Medical and dental insurance. The medical insurance deductible is \$500 per year. The parish or institution reimburses \$250 of the deductible to the priest upon priest's submitted invoice or payment receipt. Each priest is responsible for \$250 of deductible, as well as \$500 out-of-pocket medical expenses for a total of \$750 per year.
 - B. \$1,800 for continuing education annually, upon priest's submitted invoice or payment receipt.
 - C. Room, board, laundry and utilities, including basic cable. Generally speaking, board (i.e. meal expenses) should either be paid directly by parish credit card with receipts for purchases submitted or reimbursed on an actual basis based upon submitted invoice or payment receipt.
 - D. Personal property coverage (\$25,000) and comprehensive personal liability coverage (\$300,000) is provided through the parish insurance premiums.
8. Any priest who feels he receives too much salary may refund some of it to the parish or contribute it to the Charitable Trust Fund of the Diocese of Owensboro or any charity of his choice.
9. Salaries will be reviewed by the Administration Committee each year in January.
10. Household expenses, room, board, laundry and utilities, etc., shall be paid by the parish. The amount is not determined by diocesan statute but is left to the good judgment and discretion of the pastor who will enter this amount in the annual financial report.
11. The salary of a housekeeper or cook is paid by the parish. The amount of the salary is to be determined by the pastor and is to be included in the annual financial report.
12. Offices, institutions, and parishes having the full-time service of a priest shall pay annually the set amount for retirement to the Christian Brothers Retirement fund, or in the case of religious priests, to their community retirement fund.
13. Parishes, offices, and institutions having full-time service of a priest shall pay the priest's hospital, medical, and dental insurance premiums as specified by the diocesan group insurance program, or in the case of religious priests, as specified by their communities.
14. Each diocesan priest shall pay his own social security tax. In reporting the value of his room, board, utilities, furnished him by the parish or institution on his tax return, he shall value this at a minimum of \$500 per month. Newly ordained priests may not elect out of Social Security.
15. All priests are to pay for their personal long-distance telephone calls and personal long-distance cell phone calls and other personal amenities, e.g., pay-per-view movies, personal care items, etc. Except as noted above, personal items should never be charged to or paid by the parish.
16. All priests must carry at least \$500,000 liability insurance on their automobiles and have adequate coverage for property damage.
17. These policies are effective as of January 1, 2020.