



Department  
of the  
Treasury

Internal  
Revenue  
Service

## Publication 517

Cat. No. 15021X

# Social Security and Other Information for Members of the Clergy and Religious Workers

For use in preparing

## 2023 Returns

Earnings subject to SS tax: Max = \$160,200

MAGI Limits for IRA

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S & HOH = \$83,000

MFJ & QSS = \$136,000

MFS = \$10,000

MAGI Limits for ROTH

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S & HOH = \$153,000

MFJ & QSS = \$228,000

MFS = \$10,000

Additional Medicare Tax applies to  
wages, and S.E. income that are more than:

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MFS = \$125,000

MFJ = \$250,000 if married filing jointly, or

All Others = \$200,000

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## What's New

**Temporary 100% deduction of the full meal portion of a per diem rate or allowance.** The 100% deduction allowed for certain business meals paid or incurred after 2020 and before 2023 has expired. See Pub. 463 for more details.

**Standard mileage rate.** The business standard mileage rate for 2023 is 65.5 cents per mile.

**Earnings subject to social security tax.** For 2023, the maximum wages and self-employment income subject to social security tax has increased to \$160,200.

**Modified adjusted gross income (AGI) limit for traditional IRA contributions.** For 2023, you may be able to take an IRA deduction for your contributions if you were covered by a retirement plan at work and your modified AGI is:

- Less than \$136,000 if married filing jointly or qualifying surviving spouse;
- Less than \$83,000 if single or head of household; or
- Less than \$10,000 if married filing separately.

If you file a joint return and either you or your spouse wasn't covered by a retirement plan at

work, you may be able to take an IRA deduction if your modified AGI is less than \$228,000.

**Modified AGI limit for Roth IRA contributions increased.** For 2023, you may be able to contribute to your Roth IRA if your modified AGI is:

- Less than \$228,000 if married filing jointly or qualifying surviving spouse;
- Less than \$153,000 if single, head of household, or married filing separately and you didn't live with your spouse at any time during the year; or
- Less than \$10,000 if married filing separately and you lived with your spouse at any time during the year.

**Earned income credit (EIC).** For 2023, the maximum amount of income you can earn and still claim the EIC has increased. See [Earned Income Credit](#), later.

## Reminders

**Credits for self-employed persons.** The refundable credits for certain self-employed persons impacted by the coronavirus have expired.

**Self-employed tax payments deferred in 2020.** If you elected to defer the payment of certain social security taxes in 2020, see [IRS.gov/Newsroom/How-Self-Employed-Individuals-and-Household-Employers-Repay-Deferred-Social-Security-Tax](#), for information on how to repay those taxes.

## Introduction

Three federal taxes are paid on wages and self-employment income—income tax, social security tax, and Medicare tax. Social security and Medicare taxes are collected under one of two systems. Under the Self-Employment Contributions Act (SECA), the self-employed person pays all the taxes. Under the Federal Insurance Contributions Act (FICA), the employee and the employer each pay half of the social security and Medicare taxes. No earnings are subject to both systems.

In addition, all wages and self-employment income that are subject to Medicare tax are subject to a 0.9% Additional Medicare Tax to the extent they exceed the applicable threshold for an individual's filing status. Medicare wages and self-employment income are combined to determine if income exceeds the threshold. A self-employment loss isn't considered for purposes of this tax. Railroad retirement (RTTA)

Table 1. **Are Your Ministerial Earnings\* Covered Under FICA or SECA?**

Find the class to which you belong in the left column and read across the table to find if you are covered under FICA or SECA. Don't rely on this table alone. Also read the discussion for the class in the following pages.

Class	Covered under FICA?	Covered under SECA?
<a href="#">Minister</a>	NO. Your ministerial earnings are exempt.	YES, if you don't have an approved exemption from the IRS.  NO, if you have an approved exemption.
<a href="#">Member of a religious order who hasn't taken a vow of poverty</a>	NO. Your ministerial earnings are exempt.	YES, if you don't have an approved exemption from the IRS.  NO, if you have an approved exemption.
<a href="#">Member of a religious order who has taken a vow of poverty</a>	YES, if: <ul style="list-style-type: none"> <li>• Your order elected FICA coverage for its members; or</li> <li>• You worked outside the order and the work wasn't required by, or done on behalf of, the order.</li> </ul> NO, if neither of the above applies.	NO. Your ministerial earnings are exempt.
<a href="#">Christian Science practitioner or reader</a>	NO. Your ministerial earnings are exempt.	YES, if you don't have an approved exemption from the IRS.  NO, if you have an approved exemption.
<a href="#">Religious worker (church employee)</a>	YES, if your employer didn't elect to exclude you.  NO, if your employer elected to exclude you.	YES, if your employer elected to exclude you from FICA.  NO, if you are covered under FICA.
<a href="#">Member of a recognized religious sect</a>	YES, if you are an employee and don't have an approved exemption from the IRS.  NO, if you have an approved exemption.	YES, if you are self-employed and don't have an approved exemption from the IRS.  NO, if you have an approved exemption.

\* Ministerial earnings are the self-employment earnings that result from [ministerial services](#), defined and discussed later.

compensation is separately compared to the threshold. Additional Medicare Tax applies to Medicare wages, RTTA compensation, and self-employment income that are more than:

- \$125,000 if married filing separately,
- \$250,000 if married filing jointly, or
- \$200,000 for any other filing status.

There is no employer match for Additional Medicare Tax. For more information, see Form 8959, Additional Medicare Tax, and its separate instructions.

This publication contains information for the following classes of taxpayers.

- Ministers.

- Members of a religious order.
- Christian Science practitioners and readers.
- Religious workers (church employees).
- Members of a recognized religious sect.

**Note.** Unless otherwise noted, in this publication references to members of the clergy include ministers, members of a religious order (but not members of a recognized religious sect), and Christian Science practitioners and readers.

This publication covers the following topics about the collection of social security and

Medicare taxes from members of the clergy, religious workers, and members of a recognized religious sect.

- Which earnings are taxed under FICA and which under SECA. See [Table 1](#).
- How a member of the clergy can apply for an exemption from self-employment tax.
- How a member of a recognized religious sect can apply for an exemption from both self-employment tax and FICA taxes.
- How a member of the clergy or a religious worker figures net earnings from self-employment.

This publication also covers certain income tax rules of interest to ministers and members of a religious order.



In the back of Pub. 517 is a set of [worksheets](#) that you can use to figure the amount of your taxable ministerial income and allowable deductions.

**Note.** In this publication, the term “church” is generally used in its generic sense and not in reference to any particular religion.

- ☐ **529** Miscellaneous Deductions
- ☐ **590-A** Contributions to Individual Retirement Arrangements (IRAs)
- ☐ **590-B** Distributions from Individual Retirement Arrangements (IRAs)
- ☐ **596** Earned Income Credit (EIC)

#### Form (and Instructions)

- ☐ **SS-8** Determination of Worker Status for Purposes of Federal Employment Taxes and Income Tax Withholding
- ☐ **SS-16** Certificate of Election of Coverage Under the Federal Insurance Contributions Act
- ☐ **Schedule C (Form 1040)** Profit or Loss From Business (Sole Proprietorship)
- ☐ **Schedule SE (Form 1040)** Self-Employment Tax
- ☐ **1040-ES** Estimated Tax for Individuals
- ☐ **1040-X** Amended U.S. Individual Income Tax Return
- ☐ **4029** Application for Exemption From Social Security and Medicare Taxes and Waiver of Benefits
- ☐ **4361** Application for Exemption From Self-Employment Tax for Use by Ministers, Members of Religious Orders and Christian Science Practitioners
- ☐ **7206** Self-Employed Health Insurance Deduction
- ☐ **8274** Certification by Churches and Qualified Church-Controlled Organizations Electing Exemption From Employer Social Security and Medicare Taxes
- ☐ **8959** Additional Medicare Tax
- ☐ **8962** Premium Tax Credit (PTC)

**Ordering publications and forms.** See [How To Get Tax Help](#), at the end of this publication, for information about getting these publications and forms.

## Social Security Coverage

This section gives information about which system (SECA or FICA) is used to collect social security and Medicare taxes from members of the clergy (ministers, members of a religious order, and Christian Science practitioners and readers) and religious workers (church employees).

## Coverage of Members of the Clergy

The services you perform in the exercise of your ministry, of the duties required by your religious order, or of your profession as a Christian Science practitioner or reader are covered by social security and Medicare under SECA. Your earnings for these [ministerial services](#) (defined

later) are subject to self-employment (SE) tax unless one of the following applies.

- You are a member of a religious order who has taken a vow of poverty.
- You ask the IRS for an exemption from SE tax for your services and the IRS approves your request. See [Exemption From Self-Employment \(SE\) Tax](#), later.
- You are subject only to the social security laws of a foreign country under the provisions of a social security agreement between the United States and that country. For more information, see *Bilateral Social Security (Totalization) Agreements* in Pub. 54, Tax Guide for U.S. Citizens and Resident Aliens Abroad.

Your earnings that aren't from ministerial services may be subject to social security tax under FICA or SECA according to the rules that apply to taxpayers in general. See [Ministerial Services](#), later.

## Ministers

If you are a minister of a church, your earnings for the services you perform in your capacity as a minister are subject to SE tax, even if you perform these services as an employee of that church. However, you can request that the IRS grant you an exemption, as discussed under [Exemption From Self-Employment \(SE\) Tax](#), later. For the specific services covered, see [Ministerial Services](#), later.

**Ministers defined.** Ministers are individuals who are duly ordained, commissioned, or licensed by a religious body constituting a church or church denomination. Ministers have the authority to conduct religious worship, perform sacerdotal functions, and administer ordinances or sacraments according to the prescribed tenets and practices of that church or denomination.

If a church or denomination ordains some ministers and licenses or commissions others, anyone licensed or commissioned must be able to perform substantially all the religious functions of an ordained minister to be treated as a minister for social security purposes.

### Employment status for other tax purposes.

Even though all of your income from performing ministerial services is subject to self-employment tax for social security tax purposes, you may be an employee for income tax or retirement plan purposes in performing those same services. For income tax or retirement plan purposes, your income earned as an employee will be considered wages.

**Common-law employee.** Under common-law rules, you are considered either an employee or a self-employed person. Generally, you are an employee if you perform services for someone who has the legal right to control both what you do and how you do it, even if you have considerable discretion and freedom of action. For more information about the common-law rules, see Pub. 15-A, Employer's Supplemental Tax Guide.

If a congregation employs you and pays you a salary, you are generally a common-law employee and income from the exercise of your ministry is wages for income tax purposes.

## Useful Items

You may want to see:

### Publication

- ☐ **54** Tax Guide for U.S. Citizens and Resident Aliens Abroad
- ☐ **525** Taxable and Nontaxable Income

However, amounts received directly from members of the congregation, such as fees for performing marriages, baptisms, or other personal services, aren't wages; such amounts are self-employment income for both income tax purposes and social security tax purposes.

**Example.** A church hires and pays you a salary to perform ministerial services subject to its control. Under the common-law rules, you are an employee of the church while performing those services.

**Form SS-8.** If you aren't certain whether you are an employee or a self-employed person, you can get a determination from the IRS by filing Form SS-8.

## Members of Religious Orders

If you are a member of a religious order who hasn't taken a vow of poverty, your earnings for ministerial services you perform as a member of the order are subject to SE tax. See [Ministerial Services](#), later. However, you can request that the IRS grant you an exemption, as discussed under [Exemption From Self-Employment \(SE\) Tax](#), later.

**Vow of poverty.** If you are a member of a religious order and have taken a vow of poverty, you are already exempt from paying SE tax on your earnings for ministerial services you perform as an agent of your church or its agencies. You don't need to request a separate exemption. For income tax purposes, the earnings are tax free to you. Your earnings are considered the income of the religious order.

**Services covered under FICA at the election of the order.** However, even if you have taken a vow of poverty, the services you perform for your church or its agencies may be covered under social security. Your services are covered if your order, or an autonomous subdivision of the order, elects social security coverage for its current and future vow-of-poverty members.

The order or subdivision elects coverage by filing Form SS-16. The election may cover certain vow-of-poverty members for a retroactive period of up to 20 calendar quarters before the quarter in which it files the certificate. If the election is made, the order or subdivision pays both the employer's and employee's share of the tax. You don't pay any of the FICA tax.

**Services performed outside the order.** Even if you are a member of a religious order who has taken a vow of poverty and the order requires you to turn over amounts you earn, your earnings are subject to federal income tax and either SE tax or FICA tax (including estimated tax payments and/or withholding) if you:

- Are self-employed or an employee of an organization outside your religious community; and
- Perform work not required by, or done on behalf of, the order.

In these cases, your income from self-employment or as an employee of that outside organization is taxable to you directly. You may, however, be able to take a charitable deduction

for the amount you turn over to the order. See Pub. 526, Charitable Contributions.

**Rulings.** Organizations and individuals may request rulings from the IRS on whether they are religious orders, or members of a religious order, respectively, for FICA tax, SE tax, and federal income tax withholding purposes. To request a ruling, follow the procedures in Revenue Procedure 2023-1. To find the revenue procedure, go to IRS.gov and type "Revenue Procedure 2023-1" in the search box.

## Christian Science Practitioners and Readers

Generally, your earnings from services you perform in your profession as a Christian Science practitioner or reader are subject to SE tax. However, you can request an exemption, as discussed under [Exemption From Self-Employment \(SE\) Tax](#), later.

**Practitioners.** Christian Science practitioners are members in good standing of the Mother Church, The First Church of Christ, Scientist, in Boston, Massachusetts, who practice healing according to the teachings of Christian Science. State law specifically exempts Christian Science practitioners from licensing requirements.

Some Christian Science practitioners are also Christian Science teachers or lecturers. Income from teaching or lecturing is considered the same as income from their work as practitioners.

**Readers.** For tax purposes, Christian Science readers are considered the same as ordained, commissioned, or licensed ministers.

## Coverage of Religious Workers (Church Employees)

If you are a religious worker (a church employee) and aren't in one of the classes already discussed, your wages are generally subject to social security and Medicare tax under FICA, not SECA. Some exceptions are discussed next.

## Election by Church To Exclude Its Employees From FICA Coverage

Churches and qualified church-controlled organizations (church organizations) that are opposed for religious reasons to the payment of social security and Medicare taxes may elect to exclude their employees from FICA coverage. If your employer makes this election, it doesn't pay the employer's portion of the FICA taxes or withhold from your pay your portion of the FICA taxes. Instead, your wages are subject to SECA and you must pay SE tax on your wages if they exceed \$108.28 during the tax year. However, you can request an exemption from SE tax if you are a member of a recognized religious sect, as discussed below.

Churches and church organizations make this election by filing two copies of Form 8274.

For more information about making this election, see Form 8274.

## Election by Certain Church Employees Who Are Opposed to Social Security and Medicare

You may be able to choose to be exempt from social security and Medicare taxes, including the SE tax, if you are a member of a recognized religious sect or division and work for a church (or church-controlled nonprofit division) that doesn't pay the employer's part of the social security tax on wages. This exemption doesn't apply to your service, if any, as a minister of a church or as a member of a religious order.

Make this choice by filing Form 4029. See [Requesting Exemption—Form 4029](#), later, under *Members of Recognized Religious Sects*.

## U.S. Citizens and Resident and Nonresident Aliens

To be covered under the SE tax provisions (SECA), individuals must generally be citizens or resident aliens of the United States. Nonresident aliens aren't covered under SECA unless a social security agreement in effect between the United States and the foreign country determines that they are covered under the U.S. social security system.

To determine your alien status, see Pub. 519, U.S. Tax Guide for Aliens.

**Residents of Puerto Rico, the U.S. Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands (CNMI), and American Samoa.** If you are a resident of one of these U.S. territories but not a U.S. citizen, for SE tax purposes you are treated the same as a citizen or resident alien of the United States. For information on figuring the tax, see [Self-Employment Tax: Figuring Net Earnings](#), later.

## Ministerial Services

Ministerial services, in general, are the services you perform in the exercise of your ministry, in the exercise of your duties as required by your religious order, or in the exercise of your profession as a Christian Science practitioner or reader. Income you receive for performing ministerial services is subject to SE tax unless you have an exemption, as explained later. Even if you have an exemption, only the income you receive for performing ministerial services is exempt. The exemption doesn't apply to any other income.

The following discussions provide more detailed information on ministerial services of ministers, members of a religious order, and Christian Science practitioners and readers.

## Ministers

Most services you perform as a minister, priest, rabbi, etc., are ministerial services. These services include:

- Performing sacerdotal functions;



- Conducting religious worship; and
- Controlling, conducting, and maintaining religious organizations (including the religious boards, societies, and other integral agencies of such organizations) that are under the authority of a religious body that is a church or denomination.

You are considered to control, conduct, and maintain a religious organization if you direct, manage, or promote the organization's activities.

A religious organization is under the authority of a religious body that is a church or denomination if it's organized for, and dedicated to, carrying out the principles of a faith according to the requirements governing the creation of institutions of the faith.

**Services for nonreligious organizations.** Your services for a nonreligious organization are ministerial services if the services are assigned or designated by your church. Assigned or designated services qualify even if they don't involve performing sacerdotal functions or conducting religious worship.

If your services aren't assigned or designated by your church, they are ministerial services only if they involve performing sacerdotal functions or conducting religious worship.

**Services that aren't part of your ministry.** Income from services you perform as an employee that aren't ministerial services is subject to social security and Medicare tax withholding under FICA (not SECA) under the rules that apply to employees in general. The following aren't ministerial services.

- Services you perform for nonreligious organizations other than the services stated above.
- Services you perform as a duly ordained, commissioned, or licensed minister of a church as an employee of the United States, the District of Columbia, a foreign government, or any of their political subdivisions. These services aren't ministerial services even if you are performing sacerdotal functions or conducting religious worship. (For example, if you perform services as a chaplain in the Armed Forces of the United States, those services aren't ministerial services.)
- Services you perform in a government-owned and operated hospital. (These services are considered performed by a government employee, not by a minister as part of the ministry.) However, services that you perform at a church-related hospital or health and welfare institution, or a private nonprofit hospital, are considered to be part of the ministry and are considered ministerial services.

**Books or articles.** Writing religious books or articles is considered to be in the exercise of your ministry and is considered a ministerial service.

This rule also applies to members of religious orders and to Christian Science practitioners and readers.

Table 2. **The Self-Employment Tax Exemption Application and Approval Process**

	Who Can Apply	
	Members of the Clergy	Members of Recognized Religious Sects
<b>How</b>	File Form 4361	File Form 4029
<b>When</b>	File by the due date (including extensions) of your income tax return for the second tax year in which you had at least \$400 of net earnings from self-employment, any of which came from ministerial services	File anytime
<b>Approval</b>	If approved, you will receive an approved copy of Form 4361	If approved, you will receive an approved copy of Form 4029
<b>Effective Date</b>	For all tax years after 1967 in which you have at least \$400 of net earnings from self-employment, any of which came from ministerial services	For all tax years beginning with the first year you meet the <a href="#">eligibility requirements</a> , discussed later

### Members of Religious Orders

Services you perform as a member of a religious order in the exercise of duties required by the order are ministerial services. The services are considered ministerial because you perform them as an agent of the order.

For example, if the order directs you to perform services for another agency of the supervising church or an associated institution, you are considered to perform the services as an agent of the order.

However, if the order directs you to work outside the order, this employment won't be considered a duty required by the order unless:

- Your services are the kind that are ordinarily performed by members of the order; and
- Your services are part of the duties that must be exercised for, or on behalf of, the religious order as its agent.

**Effect of employee status.** Ordinarily, if your services aren't considered directed or required of you by the order, you and the outside party for whom you work are considered employee and employer. In this case, your earnings from the services are taxed under the rules that apply to employees in general, not under the rules for services performed as an agent of the order. This result is true even if you have taken a vow of poverty.

**Example.** Pat Brown and Chris Green are members of a religious order and have taken vows of poverty. They renounce all claims to their earnings. The earnings belong to the order.

Pat is a licensed attorney. The superiors of the order instructed Pat to get a job with a law firm. Pat joined a law firm as an employee and, as requested, the firm made the salary payments directly to the order.

Chris is a secretary. The superiors of the order instructed Chris to accept a job with the business office of the church that supervises the order. Chris took the job and gave all earnings to the order.

Pat's services aren't duties required by the order. Pat's earnings are subject to social security and Medicare tax under FICA and to federal income tax.

Chris' services are duties required by the order. Chris is acting as an agent of the order and not as an employee of a third party. Chris doesn't include the earnings in gross income, and they aren't subject to income tax withholding or to social security and Medicare tax under FICA or SECA.

### Christian Science Practitioners and Readers

Services you perform as a Christian Science practitioner or reader in the exercise of your profession are ministerial services. Amounts you receive for performing these services are generally subject to SE tax. You may request an exemption from SE tax, discussed next, which applies only to those services.

### Exemption From Self-Employment (SE) Tax

You can request an exemption from SE tax if you are a member of the clergy (minister, member of a religious order, or Christian Science practitioner or reader) or a member of a recognized religious sect.

**TIP** Generally, members of religious orders who have taken a vow of poverty are already exempt from paying SE tax, as discussed earlier under [Members of Religious Orders](#) under Social Security Coverage. They don't have to request the exemption.

**Who can't be exempt.** You can't be exempt from SE tax if you made one of the following elections to be covered under social security. These elections are irrevocable.

- You elected to be covered under social security by filing Form 2031, Revocation of Exemption From Self-Employment Tax for

Use by Ministers, Members of Religious Orders, and Christian Science Practitioners, for your 1986, 1987, 2000, or 2001 tax year.

- You elected before 1968 to be covered under social security for your ministerial services.

**Requesting exemption.** [Table 2](#) briefly summarizes the procedure for requesting exemption from the SE tax. More detailed explanations follow.



*If you are a minister, member of a religious order, or Christian Science practitioner, an approved exemption only applies to earnings you receive for [ministerial services](#), discussed earlier. It doesn't apply to any other self-employment income.*

## Members of the Clergy

To claim the exemption from SE tax, you must meet all of the following conditions.

- You file Form 4361, described below under [Requesting Exemption—Form 4361](#).
- You are conscientiously opposed to public insurance because of your individual religious considerations (not because of your general conscience), or you are opposed because of the principles of your religious denomination.
- You file for other than economic reasons.
- You inform the ordaining, commissioning, or licensing body of your church or order that you are opposed to public insurance if you are a minister or a member of a religious order (other than a vow-of-poverty member). This requirement doesn't apply to Christian Science practitioners or readers.
- You establish that the organization that ordained, commissioned, or licensed you, or your religious order, is a tax-exempt religious organization.
- You establish that the organization is a church or a convention or association of churches.
- You didn't make an election, discussed earlier under [Who can't be exempt](#).
- You sign and return the statement the IRS mails to you to certify that you are requesting an exemption based on the grounds listed on the statement.

## Requesting Exemption—Form 4361

To request exemption from SE tax, file Form 4361 in triplicate (original and two copies) with the IRS.



The IRS will return to you a copy of the Form 4361 that you filed indicating whether it has approved your exemption. If it's approved, keep the approved copy of Form 4361 in your permanent records.

**When to file.** File Form 4361 by the date your income tax return is due, including extensions, for the second tax year in which both of the following are true.

1. You have net earnings from self-employment of at least \$400.
2. Any part of those net earnings was from ministerial services you performed as a:
  - a. Minister,
  - b. Member of a religious order, or
  - c. Christian Science practitioner or reader.

The 2 years don't have to be consecutive tax years.



*The approval process can take some time, so you should file Form 4361 as soon as possible.*

**Example 1.** Rev. Taylor Jaeger, a member of the clergy ordained in 2023, has net self-employment earnings as a minister of \$450 in 2023 and \$500 in 2024. Rev. Jaeger must file their application for exemption by the due date, including extensions, for their 2024 income tax return. However, if Rev. Jaeger doesn't receive IRS approval for an exemption by April 15, 2025, their SE tax for 2024 is due by that date.

**Example 2.** Rev. Casey Wolfe has only \$300 in net self-employment earnings as a minister in 2023, but earned more than \$400 in 2022 and expects to earn more than \$400 in 2024. Rev. Wolfe must file their application for exemption by the due date, including extensions, for their 2024 income tax return. However, if Rev. Wolfe doesn't receive IRS approval for an exemption by April 15, 2025, their SE tax for 2024 is due by that date.

**Example 3.** In 2021, Rev. Riley Moss was ordained a minister and had \$700 in net self-employment earnings as a minister. In 2022, Rev. Moss received \$1,000 as a minister, but their related expenses were over \$1,000. Therefore, they had no net self-employment earnings as a minister in 2022. Also in 2022, Rev. Moss opened a bookstore and had \$8,000 in net self-employment earnings from the store. In 2023, they had net self-employment earnings of \$1,500 as a minister and \$10,000 net self-employment earnings from the store.

Rev. Moss had net earnings from self-employment in 2021 and 2023 that were \$400 or more each year, and part of the self-employment earnings in each of those years was for their services as a minister. Thus, Rev. Moss must file their application for exemption by the due date, including extensions, for their 2023 income tax return. However, if Rev. Moss doesn't receive IRS approval for an exemption by April 15, 2024, their SE tax for 2023 is due by that date.

**Death of individual.** The right to file an application for exemption ends with an individual's death. A surviving spouse, executor, or administrator can't file an exemption application for a deceased clergy member.

**Effective date of exemption.** An approved exemption is effective for all tax years after 1967 in which you have \$400 or more of net earnings from self-employment and any part of those earnings is for services as a member of the

clergy. Once the exemption is approved, it is irrevocable.

**Example.** Rev. Hayden Austin, ordained in 2020, had \$400 or more in net self-employment earnings, in both 2020 and 2023, part of which was from their services as a minister. Rev. Austin files an application for exemption on February 19, 2024. If an exemption is granted, it is effective for 2020 and the following years.

**Refunds of SE tax.** If, after receiving an approved Form 4361, you find that you overpaid SE tax, you can file a claim for refund on Form 1040-X. Generally, for a refund, you must file Form 1040-X within 3 years from the date you filed the return or within 2 years from the date you paid the tax, whichever is later. A return you filed, or tax you paid, before the due date is considered to have been filed or paid on the due date.

If you file a claim after the 3-year period but within 2 years from the time you paid the tax, the credit or refund won't be more than the tax you paid within the 2 years immediately before you file the claim.

## Members of Recognized Religious Sects

If you are a member of a recognized religious sect, or a division of a recognized religious sect, you can apply for an exemption from payment of social security and Medicare taxes on both your self-employment income and the wages you earn from an employer who also has an exemption.

**Exception.** If you received social security benefits or payments, or anyone else received these benefits or payments based on your wages or self-employment income, you can't apply. However, if you pay your benefits back, you may be considered for exemption. Contact your local SSA office to find out the amount you must pay back.

**Eligibility requirements.** To claim this exemption from SE tax, all of the following requirements must be met.

1. You must file Form 4029, discussed later under [Requesting Exemption—Form 4029](#).
2. As a follower of the established teachings of the sect or division, you must be conscientiously opposed to accepting benefits of any private or public insurance that makes payments for death, disability, old age, retirement, or medical care, or provides services for medical care.
3. You must waive all rights to receive any social security payment or benefit and agree that no benefits or payments will be made to anyone else based on your wages and self-employment income.
4. The Commissioner of Social Security must determine that:
  - a. Your sect or division has the established teachings as described in (2) above;

- b. It is the practice, and has been for a substantial period of time, for members of the sect or division to provide for their dependent members in a manner that is reasonable in view of the members' general level of living; and
- c. The sect or division has existed at least 10 times since December 31, 1950.

## Requesting Exemption—Form 4029

To request the exemption, file Form 4029 in triplicate (original and two copies) with the SSA at the address shown on the form. The sect or division must complete part of the form.



The IRS will return to you a copy of the Form 4029 that you filed indicating whether it has approved your exemption. If it is approved, keep the approved copy of Form 4029 in your permanent records.

**When to file.** You can file Form 4029 at any time.

If you have an approved exemption from SE tax and for some reason that approved exemption ended, you must file a new Form 4029 if you subsequently meet the [eligibility requirements](#), discussed earlier. See [Effective date of exemption](#), next, for information on when the newly approved exemption would become effective.

If you have a previously approved exemption from SE tax, you are considered to have met the requirements for exemption from social security and Medicare taxes on wages and don't need to file a new Form 4029.

**Effective date of exemption.** An approved exemption from SE tax is generally effective for all tax years beginning with the first year you meet the [eligibility requirements](#) discussed earlier. (For example, if you meet the eligibility requirements in 2021, file Form 4029 in 2022, and the IRS approves your exemption in 2023, your exemption is effective for tax year 2021 and all later years.)

The exemption will end if you fail to meet the eligibility requirements or if the Commissioner of Social Security determines that the sect or division fails to meet them. You must notify the IRS within 60 days if you are no longer a member of the religious group, or if you no longer follow the established teachings of this group. The exemption will end for the tax year in which you or your sect/division first fails to meet the eligibility requirements.

**Refunds of SE tax paid.** To get a refund of any SE tax you paid while the exemption was in effect, file Form 1040-X. For information on filing this form, see [Refunds of SE tax](#) under [Requesting Exemption—Form 4361](#), earlier.

## Exemption From FICA Taxes

Generally, under FICA, the employer and the employee each pay half of the social security and Medicare tax. Both the employee and the employer, if they meet the [eligibility requirements](#), discussed earlier, can apply to be

exempt from their share of FICA taxes on wages paid by the employer to the employee.

A partnership in which each partner holds a religious exemption from social security and Medicare tax is an employer for this purpose.

### To determine Earnings from S.E. Clergy:

Gross Inc. - Deductions = Difference  
NET EARNINGS = 92.35% x Difference

1 - 92.35% = 7.6% = 6.2% SS + 1.45% Medicare

employee who has an approved Form 4029, don't report wages you paid to the employee as social security and Medicare wages.

If you have an employee who doesn't have an approved Form 4029, you must withhold the employee's share of social security and Medicare taxes and pay the employer's share.

**Form W-2.** When preparing a Form W-2, Wage and Tax Statement, for an employee with an approved Form 4029, enter "Form 4029" in box 14, "Other." Don't make any entries in box 3, 4, 5, or 6.

**Forms 941, 943, and 944.** If both you and your employee have received approved Forms 4029, don't include these exempt wages on the following forms. Instead, follow the instructions given below.

- Form 941, Employer's QUARTERLY Federal Tax Return: check the box on line 4 and enter "Form 4029" in the empty space below the checkbox.
- Form 943, Employer's Annual Federal Tax Return for Agricultural Employees: enter "Form 4029" on the dotted line next to the lines 2 and 4 entry spaces.
- Form 944, Employer's ANNUAL Federal Tax Return: check the box on line 3 and enter "Form 4029" in the empty space below the checkbox.

**Effective date.** An approved exemption from FICA becomes effective on the first day of the first calendar quarter after the quarter in which you file Form 4029. The exemption will end on the last day of the calendar quarter before the quarter in which the employer, employee, sect, or division fails to meet the requirements.

## Self-Employment Tax: Figuring Net Earnings

There are two methods for figuring your net earnings from self-employment as a member of the clergy or a religious worker.

- Regular method.
- Nonfarm optional method.



You may find [Worksheets 1 through 3](#) helpful in figuring your net earnings from self-employment. Blank worksheets are in the back of this publication.

## Regular Method

Most people use the regular method. Under this method, figure your net earnings from self-employment by totaling your gross income for services you performed as a minister, a member of a religious order who hasn't taken a vow of poverty, or a Christian Science practitioner or reader. Then, subtract your allowable business deductions and multiply the difference by 92.35% (0.9235). Use Schedule SE (Form 1040) to figure your net earnings and SE tax.

If you are an employee of a church that elected to exclude you from FICA coverage, figure net earnings by multiplying your church wages shown on Form W-2 by 92.35% (0.9235). Don't reduce your wages by any business deductions when making this computation. Use Schedule SE (Form 1040), to figure your net earnings and SE tax.



If you have an approved exemption, or you are automatically exempt, don't include the income or deductions from ministerial services in figuring your net earnings from self-employment.

**Amounts included in gross income.** To figure your net earnings from self-employment (on Schedule SE (Form 1040)), include in gross income:

1. Salaries and fees for your [ministerial services](#) (discussed earlier);
2. Offerings you receive for marriages, baptisms, funerals, masses, etc.;
3. The value of meals and lodging provided to you, your spouse, and your dependents for your employer's convenience;
4. The fair rental value of a parsonage provided to you (including the cost of utilities that are furnished) and the rental allowance (including an amount for payment of utilities) paid to you; and
5. Any amount a church pays toward your income tax or SE tax, other than withholding the amount from your salary. This amount is also subject to income tax.

For the income tax treatment of items (2) and (4), see [Income Tax: Income and Expenses](#), later.

**Example.** Pastor Leslie Adams receives an annual salary of \$39,000 as a full-time minister. The \$39,000 includes \$5,000 that is designated as a rental allowance to pay utilities. Their church owns a parsonage that has a fair rental value of \$12,000 per year. The church gives Pastor Adams the use of the parsonage. Pastor Adams isn't exempt from SE tax and must include \$51,000 (\$39,000 plus \$12,000) when figuring their net earnings for SE tax purposes.

The results would be the same if, instead of the use of the parsonage and receipt of the rental allowance for utilities, Pastor Adams had received an annual salary of \$51,000 of which \$17,000 (\$5,000 plus \$12,000) per year was designated as a rental allowance.

**Overseas duty.** Your net earnings from self-employment are determined without any foreign earned income exclusion or the foreign



housing exclusion or deduction if you are a U.S. aren't sure if it reimburses you using an accountable plan.

Income from Mexico = \$35,000  
Mexico does not have a SS agreement w/ US

Therefore you ARE Subject to 15.3% for SE TAX

**Example.** You were the minister of a U.S. church in Mexico. You earned \$35,000 in that position and were able to exclude it all for income tax purposes under the foreign earned income exclusion. The United States doesn't have a social security agreement with Mexico, so you are subject to U.S. SE tax and must include \$35,000 when figuring net earnings from self-employment.

**Specified U.S. territories.** The exclusion from gross income for amounts derived from American Samoa or Puerto Rico doesn't apply in figuring net earnings from self-employment. Also see [Residents of Puerto Rico, the U.S. Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands \(CNMI\), and American Samoa](#), earlier, under *U.S. Citizens and Resident and Nonresident Aliens*.

**Amounts not included in gross income.** Don't include the following amounts in gross income when figuring your net earnings from self-employment.

- Offerings that others made to the church.
- Contributions by your church to a tax-sheltered annuity plan set up for you, including any salary reduction contributions (elective deferrals) that aren't included in your gross income.
- Pension payments or retirement allowances you receive for your past ministerial services.
- The rental value of a parsonage or a parsonage allowance provided to you after you retire.

**Allowable deductions.** When figuring your net earnings from self-employment, deduct all your expenses related to your ministerial services performed as a self-employed person. These are ministerial expenses you incurred while working other than as a common-law employee of the church. They include expenses incurred in performing marriages and baptisms, and in delivering speeches. Deduct these expenses on Schedule C (Form 1040), and carry the net amount to line 2 of Schedule SE (Form 1040).

Wages earned as a [common-law employee](#) (explained earlier) of a church are generally subject to self-employment tax unless an exemption is requested, as discussed earlier under [Exemption From Self-Employment \(SE\) Tax](#). Subtract any allowable expenses from those wages, include the net amount on line 2 of Schedule SE (Form 1040), and attach an explanation. Don't complete Schedule C (Form 1040).

**Employee reimbursement arrangements.** If you received an advance, allowance, or reimbursement for your employee expenses, how you report this amount and your employee expenses depends on whether your employer reimbursed you under an accountable plan or a nonaccountable plan. Ask your employer if you

rules.

- Your expenses must have a business connection—that is, you must have paid or incurred deductible expenses while performing services as an employee of your employer.
- You must adequately account to your employer for these expenses within a reasonable period of time.
- You must return any excess reimbursement or allowance within a reasonable period of time.

The reimbursement isn't reported on your Form W-2. Generally, if your expenses equal your reimbursement, you have no deduction. If your expenses are more than your reimbursement, you can deduct your excess expenses for SE tax and income tax purposes.

**Nonaccountable plan.** A nonaccountable plan is a reimbursement arrangement that doesn't meet one or more of the three rules listed under [Accountable plans](#) above. In addition, even if your employer has an accountable plan, the following payments will be treated as being paid under a nonaccountable plan.

- Excess reimbursements you fail to return to your employer.
- Reimbursement of nondeductible expenses related to your employer's business.

Your employer will combine any reimbursement paid to you under a nonaccountable plan with your wages, salary, or other compensation and report the combined total in box 1 of your Form W-2. Because reimbursements under a nonaccountable plan are included in your gross income, you can deduct your related expenses (for SE tax and income tax purposes) regardless of whether they are more than, less than, or equal to your reimbursement.

For more information on accountable and nonaccountable plans, see Pub. 463, Travel, Gift, and Car Expenses.

## Married Couple Missionary Team

If both spouses are duly ordained, commissioned, or licensed ministers of a church and have an agreement that each will perform specific services for which they are paid jointly or separately, they must divide the self-employment income according to the agreement.

If the agreement is with one spouse only and the other spouse isn't paid for any specific duties, amounts received for their services are included only in the self-employment income of the spouse having the agreement.

## Earnings Subject to SE Tax

For 2023, the maximum net earnings from self-employment subject to social security (old age, survivors, and disability insurance) tax is \$160,200 minus any wages and tips you earned that were subject to social security tax. The tax

rate for the social security part is 12.4%. In addition, all of your net earnings are subject to the Medicare (hospital insurance) part of the SE tax. This tax rate is 2.9%. The combined self-employment tax rate is 15.3% (12.4% social security tax + 2.9% Medicare tax).

**Additional Medicare Tax.** A 0.9% Additional Medicare Tax applies to Medicare wages, RRTA compensation, and self-employment income that are more than:

- \$125,000 if married filing separately,
- \$250,000 if married filing jointly, or
- \$200,000 for any other filing status.

Medicare wages and self-employment income are combined to determine if income exceeds the threshold. A self-employment loss isn't considered for purposes of this tax. RRTA compensation is separately compared to the threshold. For more information, see Form 8959, Additional Medicare Tax, and its separate instructions.

## Nonfarm Optional Method

You may be able to use the nonfarm optional method for figuring your net earnings from self-employment. In general, the nonfarm optional method is intended to permit continued coverage for social security and Medicare purposes when your income for the tax year is low.

You may use the nonfarm optional method if you meet all of the following tests.

1. You are self-employed on a regular basis. You meet this test if your actual net earnings from self-employment were \$400 or more in at least 2 of the 3 tax years before the one for which you use this method. The net earnings can be from either farm or nonfarm earnings or both.
2. You have used this method less than 5 prior years. (There is a 5-year lifetime limit.) The years don't have to be consecutive.
3. Your net nonfarm profits were:
  - a. Less than \$7,103; and
  - b. Less than 72.189% of your gross nonfarm income.

If you meet all three tests, use Table 3 to figure your net earnings from self-employment under the nonfarm optional method.

Table 3. **Figuring Nonfarm Net Earnings**

IF your gross nonfarm income is ...	THEN your net earnings are equal to ...
\$9,840 or less	two-thirds of your gross nonfarm income.
more than \$9,840	\$6,560.

**Actual net earnings.** Multiply your total earnings subject to SE tax by 92.35% (0.9235) to get actual net earnings. Actual net earnings are



equivalent to net earnings under the "Regular Method."

**More information.** For more information on the nonfarm optional method, see Pub. 334, Tax Guide for Small Business, and the Instructions for Schedule SE (Form 1040).

## Income Tax: Income and Expenses

Some income and expense items are treated the same for both income tax and SE tax purposes and some are treated differently.

**Note.** For purposes of this section, references to members of the clergy are only to ministers or members of a religious order.

### Income Items

The tax treatment of offerings and fees, outside earnings, rental allowances, rental value of a parsonage, earnings of members of religious orders, and foreign earned income is discussed here.

### Offerings and Fees

If you are a member of the clergy, you must include in your income offerings and fees you receive for marriages, baptisms, funerals, masses, etc., in addition to your salary. If the offering is made to the religious institution, it isn't taxable to you.

### Outside Earnings

If you are a member of a religious organization and you give your outside earnings to the organization, you still must include the earnings in your income. However, you may be entitled to a charitable contribution deduction for the amount paid to the organization. For more information, see Pub. 526.

### Exclusion of Rental Allowance and Fair Rental Value of a Parsonage

Ordained, commissioned, or licensed ministers of the gospel may be able to exclude from income tax the rental allowance or fair rental value of a parsonage that is provided to them as pay for their services. Services include:

- [Ministerial services](#), discussed earlier;
- Administrative duties and teaching at theological seminaries; and
- The ordinary duties of a minister performed as an employee of the United States (other than as a chaplain in the Armed Forces), a state, territory, political subdivision, or the District of Columbia.

This exclusion applies only for income tax purposes. It doesn't apply for SE tax purposes, as discussed earlier under [Amounts included in gross income](#) under *Self-Employment Tax: Figuring Net Earnings*.

**Designation requirement.** The church or organization that employs you must officially des-

ignate the payment as a housing allowance before it makes the payment. It must designate a definite amount. It can't determine the amount of the housing allowance at a later date. If the church or organization doesn't officially designate a definite amount as a housing allowance, you must include your total salary in your income.

If you are employed and paid by a local congregation, a resolution by a national church agency of your denomination doesn't effectively designate a housing allowance for you. The local congregation must officially designate the part of your salary that is a housing allowance. However, a resolution of a national church agency can designate your housing allowance if you are directly employed by the national agency.

An official designation of an amount as a housing or rental allowance may be shown in an employment contract, in the minutes of a church or qualified organization, in a budget, or in any official action taken in advance of payment of the allowance. A designation is sufficient if it permits a payment to be identified as a payment of a rental or housing allowance as distinguished from salary or other remuneration.

Informal discussions don't amount to an official designation. However, the facts and circumstances of a designation may demonstrate that the designation was official.

**TIP** A church or employing organization may report the rental allowance or fair rental value of the parsonage (and utilities) in box 14 of Form W-2.

**Rental allowances.** If you receive in your salary an amount officially designated as a rental allowance (including an amount to pay utility costs), you can exclude the allowance from your gross income if:

- You use the amount to provide or rent a home, and
- The amount isn't more than reasonable pay for your services.

The amount you exclude can't be more than the fair rental value of the home, including furnishings, plus the cost of utilities.

**Fair rental value of parsonage.** You can exclude from gross income the fair rental value of a house or parsonage, including utilities, furnished to you as part of your earnings. However, the exclusion can't be more than the reasonable pay for your services. If you pay for the utilities, you can exclude any allowance designated for utility costs, up to your actual cost.

**Example.** Rev. Layne Baker is a full-time minister. The church allows Rev. Baker to use a parsonage that has an annual fair rental value of \$24,000. The church pays them an annual salary of \$67,000, of which \$7,500 is designated for utility costs. Their actual utility costs during the year were \$7,000.

For income tax purposes, Rev. Baker excludes \$31,000 from gross income (\$24,000 fair rental value of the parsonage plus \$7,000 from the allowance for utility costs). Rev. Baker will report \$60,000 (\$59,500 salary plus \$500 of unused utility allowance). However, their income

for SE tax purposes is \$91,000 (\$67,000 salary + \$24,000 fair rental value of the parsonage).

**Home ownership.** If you own your home and you receive as part of your salary a housing or rental allowance, you may exclude from gross income the smallest of:

- The amount actually used to provide a home;
- The amount officially designated as a rental allowance; or
- The fair rental value of the home, including furnishings, utilities, garage, etc.

**Excess rental allowance.** You must include in gross income the amount of any rental allowance that is more than the smallest of:

- Your reasonable salary,
- The fair rental value of the home plus utilities, or
- The amount actually used to provide a home.

Include this amount in the total on Form 1040 or 1040-SR, line 1h. On the dotted line next to line 1h, enter "Excess allowance" and the amount.

**TIP** You may deduct the home mortgage interest and real estate taxes paid on your home even though you pay all or part of those expenses with funds you get through a tax-free rental or parsonage allowance. However, you can only deduct these expenses as itemized deductions on Schedule A (Form 1040).

**Retired ministers.** If you are a retired minister, you can exclude from your gross income the rental value of a home (plus utilities) furnished to you by your church as a part of your pay for past services, or the part of your pension that was designated as a rental allowance. However, a minister's surviving spouse can't exclude the rental value unless the rental value is for ministerial services they perform or performed.

**Teachers or administrators.** If you are a minister employed as a teacher or administrator by a church school, college, or university, you are performing ministerial services for purposes of the housing exclusion. However, if you perform services as a teacher or administrator on the faculty of a nonchurch college, you can't exclude from your income a housing allowance or the value of a home that the college provides to you.

**TIP** If you live in faculty lodging as an employee of an educational institution or academic health center, all or part of the value of that lodging may be nontaxable under a different rule. In Pub. 525, see *Faculty lodging in the discussion on meals and lodging under Fringe Benefits*.

If you serve as a minister of music or minister of education, or serve in an administrative or other function of your religious organization, but aren't authorized to perform substantially all of the religious duties of an ordained minister in your church (even if you are commissioned as a minister of the gospel), the housing exclusion doesn't apply to you.

**Theological students.** If you are a theological student serving a required internship as a part-time or assistant pastor, you can't exclude a parsonage or rental allowance from your income unless you are ordained, commissioned, or licensed as a minister.

**Traveling evangelists.** You can exclude a designated rental allowance from out-of-town churches if you meet all of the following requirements.

- You are an ordained minister.
- You perform ministerial services at churches located away from your community.
- You actually use the rental allowance to maintain your permanent home.

**Cantors.** If you have a bona fide commission and your congregation employs you on a full-time basis to perform substantially all the religious functions of the Jewish faith, you can exclude a rental allowance from your gross income.

## Earnings—Members of Religious Orders

Your earnings may be exempt from both income tax and SE tax if you are a member of a religious order who:

- Has taken a vow of poverty,
- Receives earnings for services performed as an agent of the order and in the exercise of duties required by the order, and
- Renounces the earnings and gives them to the order.

See [Members of Religious Orders](#), earlier, under *Social Security Coverage*.

## Foreign Earned Income

Certain income may be exempt from income tax if you work in a foreign country or in a specified U.S. territory. Pub. 54 discusses the foreign earned income exclusion. Pub. 570, Tax Guide for Individuals With Income From U.S. Territories, covers the rules for taxpayers with income from U.S. territories. You can get these free publications from the IRS at [IRS.gov/Forms](#) or from most U.S. embassies or consulates.

## Expense Items

The tax treatment of expenses allocable to tax-free income and health insurance costs is discussed here.

## Expenses Allocable to Tax-Free Income

If you receive a rental or parsonage allowance that is exempt from income tax (tax free), you must allocate a portion of the expenses of operating your ministry to that tax-free income. You can't deduct the portion of your expenses that you allocate to your tax-free rental or parsonage allowance.

**Exception.** This rule doesn't apply to your deductions for home mortgage interest or real estate taxes on your home.

**Figuring the allocation.** Figure the portion of your otherwise deductible expenses that you can't deduct (because you must allocate that portion to tax-free income) by multiplying the expenses by the following fraction:

$$\frac{\text{Tax-free rental or parsonage allowance}}{\text{All income (taxable and tax free) earned from your ministry}}$$

When figuring the allocation, include the income and expenses related to the ministerial duties you perform both as an employee and as a self-employed person.



*Reduce your otherwise deductible expenses only in figuring your income tax, not your SE tax.*

**Example.** Rev. Peyton Ashford received \$40,000 in earnings for ministerial services consisting of a \$28,000 salary for ministerial services performed as an employee, \$2,000 for weddings and baptisms performed as a self-employed person, and a \$10,000 tax-free parsonage allowance. Rev. Ashford incurred \$4,000 of unreimbursed expenses connected with their earnings for ministerial services: \$3,500 of the \$4,000 is for employee expenses related to their ministerial salary. Rev. Ashford is no longer able to deduct the \$3,500 incurred for employee expenses related to their ministerial salary since miscellaneous itemized deductions aren't allowed for tax years 2018 through 2025 pursuant to section 67(g) of the Internal Revenue Code. Since the \$500 is related to the weddings and baptisms they performed as a self-employed person, this amount is otherwise deductible.

Rev. Ashford figures the nondeductible (tax-free) portion of expenses related to their wedding and baptism income as follows:

$$(\$10,000 \div \$40,000) \times \$500 = \$125$$

**Required statement.** If you receive a tax-free rental or parsonage allowance and have ministerial expenses, attach a statement to your tax return. The statement must contain all of the following information.

- A list of each item of taxable ministerial income by source (such as wages, salary, weddings, baptisms, etc.) plus the amount.
- A list of each item of tax-free ministerial income by source (parsonage allowance) plus the amount.
- A list of each item of otherwise deductible ministerial expenses plus the amount.
- How you figured the nondeductible part of your otherwise deductible expenses.
- A statement that the other deductions claimed on your tax return aren't allocable to your tax-free income.

At the end of this publication, you will find blank [worksheets](#) for your own use.

## Health Insurance Costs of Self-Employed Ministers

If you are self-employed, you may be able to deduct the amount you paid in 2023 for medical

and dental insurance and qualified long-term care insurance for you, your spouse, your dependents, and any child you may have who, as of the end of the tax year, had not attained age 27.

For purposes of this deduction, your child must be an individual who is your son, daughter, stepson, stepdaughter, or eligible foster child. An individual who has been legally adopted by you (or placed with you for adoption) will be treated as your child.

If you qualify, you can take this deduction as an adjustment to income on Schedule 1 (Form 1040), line 17. See the Instructions for Form 1040 to figure your deduction.

The following special rules apply to the self-employed health insurance deduction.

- You can't take a medical expense deduction on Schedule A (Form 1040) for any expenses you claim for purposes of the self-employed health insurance deduction.
- You can't take the deduction for any month you are eligible to participate in a subsidized plan of your (or your spouse's) employer.
- The deduction can't exceed your net earnings from the business under which the insurance plan is established. Your net earnings under this rule don't include the income you earned as a [common-law employee](#) (discussed earlier) of a church.

**More information.** For more information about the self-employed health insurance deduction, see Form 7206 and its instructions.

## Deduction for SE Tax

You can deduct one-half of your SE tax in figuring AGI. This is an income tax deduction only, which is claimed on Schedule 1 (Form 1040), line 15. This deduction doesn't include taxes imposed by section 1401(b)(2), pursuant to section 164(f)(2) of the Internal Revenue Code.



*Don't claim this deduction in figuring net earnings from self-employment subject to SE tax.*

## Income Tax Withholding and Estimated Tax

The federal income tax is a pay-as-you-go tax. You must pay the tax as you earn or receive income during the year. An employee usually has income tax withheld from their wages or salary. However, your salary isn't subject to federal income tax withholding if both of the following conditions apply.

- You are a duly ordained, commissioned, or licensed minister, a member of a religious order (who hasn't taken a vow of poverty), or a Christian Science practitioner or reader.
- Your salary is for ministerial services (see [Ministerial Services](#), earlier).

If your salary isn't subject to withholding, or if you don't pay enough tax through withholding, you may need to make estimated tax payments

to avoid penalties for not paying enough tax as you earn your income.

You must generally make estimated tax payments if you expect to owe taxes, including SE tax, of \$1,000 or more, when you file your return.

Determine your estimated tax by using the worksheets in Pub. 505, Tax Withholding and Estimated Tax. You can also use the IRS Withholding Estimator at [IRS.gov/W4App](https://www.irs.gov/W4App). Pay the entire estimated tax for 2024 or the first installment by April 15, 2024. See Form 1040-ES for the different payment methods. The April 15 date applies whether or not your tax home and your abode are outside the United States and Puerto Rico. For more information, see chapter 2 of Pub. 505.

If you perform your services as a common-law employee of the church and your salary isn't subject to income tax withholding, you can enter into a voluntary withholding agreement with the church to cover any income and SE tax that may be due.

## Filing Your Return

You must file an income tax return for 2023 if your gross income was at least the amount shown in the third column of [Table 4](#).

**Additional requirements.** Even if your income was less than the amount shown in [Table 4](#), you must file an income tax return on Form 1040 or 1040-SR, and attach a completed Schedule SE (Form 1040), if:

- You aren't exempt from SE tax, and you have net earnings from self-employment (discussed earlier under [Self-Employment Tax: Figuring Net Earnings](#)) of \$400 or more in the tax year;

- You are exempt from SE tax on earnings from ministerial services and you have \$400 or more of other net earnings subject to SE tax; or
- You had wages of \$108.28 or more from an electing church or church-controlled organization (see [Coverage of Religious Workers \(Church Employees\)](#), earlier, under [Social Security Coverage](#)).

**Self-employment tax.** For services in the exercise of the ministry, members of the clergy receive a Form W-2, but do not have social security or Medicare taxes withheld. You must pay social security and Medicare taxes by filing Schedule SE (Form 1040) with your return.

If you filed Form 4361 and didn't receive approval from the IRS, you must pay SE tax on your [ministerial earnings](#), as explained earlier. You should report ministerial earnings and expenses from nonemployee ministerial services on Schedule C (Form 1040). You should then carry the net amount over to line 2 of Schedule SE (Form 1040). However, if you were a duly ordained minister who was an employee of a church and you must pay SE tax on the wages you earned for those services, don't report those wages on Schedule C (Form 1040). Instead, report those wages less any allowable expenses on line 2 of Schedule SE (Form 1040) and attach an explanation.

**Exemption from SE tax.** If you filed Form 4361 and received IRS approval not to be taxed on your ministerial earnings, and you don't have any other income subject to SE tax, don't file Schedule SE (Form 1040). Instead, enter "Exempt—Form 4361" on the dotted line next to Schedule 2 (Form 1040), line 4. However, if you had net earnings from another trade or business of \$400 or more subject to SE tax, see line A at the top of Schedule SE (Form 1040).

If you filed Form 4029 and received IRS approval not to be taxed on those earnings, and you don't have any other income subject to SE tax, don't file Schedule SE (Form 1040). Instead, enter "Exempt—Form 4029" on the dotted line next to Schedule 2 (Form 1040), line 4.

**More information.** For more information on filing your return, including when and where to file it, see the Instructions for Form 1040.

## Retirement Savings Arrangements

Retirement savings arrangements are plans that offer you a tax-favored way to save for your retirement. You can generally deduct your contributions to the plan. Your contributions and the earnings on them generally aren't taxed until they are distributed. However, if the plan permits, you may choose to have contributions made to a Roth contribution program, and those contributions won't be excluded from your income, but will be distributed tax free if you satisfy certain requirements.

**Retirement plans for the self-employed.** To set up one of the following plans, you must be self-employed.

- SEP (simplified employee pension) plan.
- SIMPLE (savings incentive match plan for employees) plan.
- Qualified retirement plan (also called a Keogh or H.R. 10 plan), including a 401(k) plan.

The common-law rules determine whether you are an employee or a self-employed person for purposes of setting up a retirement plan. See [Employment status for other tax purposes](#) under [Coverage of Members of the Clergy](#),

Table 4. 2023 Filing Requirements for Most Taxpayers

IF your filing status is...	AND at the end of 2023 you were*...	THEN file a return if your gross income** was at least...
Single	under age 65 65 or older	\$13,850 15,700
Married filing jointly***	under 65 (both spouses) 65 or older (one spouse) 65 or older (both spouses)	\$27,700 29,200 30,700
Married filing separately	any age	\$5
Head of household	under 65 65 or older	\$20,800 22,650
Qualifying surviving spouse	under 65 65 or older	\$27,700 29,200

\* If you were born on January 1, 1959, you are considered to be age 65 at the end of 2023. (If your spouse died in 2023 or you are preparing a return for someone who died in 2023, see Pub. 501, Dependents, Standard Deduction, and Filing Information.)

\*\* **Gross income** means all income you received in the form of money, goods, property, and services that isn't exempt from tax, including any income from sources outside the United States or from the sale of your main home (even if you can exclude part or all of it). **Don't** include any social security benefits unless (a) you are married filing a separate return and you lived with your spouse at any time in 2023, or (b) one-half of your social security benefits plus your other gross income and any tax-exempt interest is more than \$25,000 (\$32,000 if married filing jointly). If (a) or (b) applies, see the instructions for Form 1040, lines 6a and 6b, to figure the taxable part of social security benefits you must include in gross income. Gross income includes gains, but not losses, reported on Form 8949 or Schedule D (Form 1040). Gross income from a business means, for example, the amount on Schedule C (Form 1040), line 7; or Schedule F (Form 1040), line 9. But, in figuring gross income, don't reduce your income by any losses, including any loss on Schedule C (Form 1040), line 7; or Schedule F (Form 1040), line 9.

\*\*\* If you didn't live with your spouse at the end of 2023 (or on the date your spouse died) and your gross income was at least \$5, you must file a return regardless of your age.



earlier. This result is true even if your compensation for [ministerial services](#) (defined earlier) is subject to SE tax.

For example, if a congregation pays you a salary for performing ministerial services and you are subject to the congregation's control, you are generally a common-law employee. You aren't a self-employed person for purposes of setting up a retirement plan. This result is true even if your salary is subject to SE tax.

On the other hand, amounts received directly from members of the congregation, such as fees for performing marriages, baptisms, or other personal services that you report on Schedule C (Form 1040), are earnings from self-employment for all tax purposes.

Contributions generally may be made on a pre-tax basis or, if permitted by the plan, they may be made as a Roth contribution on an after-tax basis. For more information on establishing a SEP, SIMPLE, or qualified retirement plan, see Pub. 560, Retirement Plans for Small Business.

**Individual retirement arrangements (IRAs).** The traditional IRA and the Roth IRA are two individual retirement arrangements you can use to save money for your retirement. Generally, your maximum contribution for 2023 to either of these plans (or to a combination of the two) is the smaller of your taxable compensation or \$6,500 (\$7,500 if you are age 50 or older by the end of 2023).

However, your maximum contribution to a Roth IRA will be further reduced or eliminated if your AGI is above a certain amount. You can't deduct Roth IRA contributions, but if you satisfy certain requirements, all earnings in the Roth IRA are tax free and neither your nondeductible contributions nor any earnings on them are taxable when distributed.

If you contribute to a traditional IRA, your contribution may be deductible. However, your deduction may be reduced or eliminated if you or your spouse is covered by an employer retirement plan (including, but not limited to, a SEP, SIMPLE, or qualified retirement plan).

For more information on IRAs, see Pub. 590-A, Contributions to Individual Retirement Arrangements.

**Tax-sheltered annuity plans.** Church employees, members of religious orders, and duly ordained, commissioned, or licensed ministers working as ministers or chaplains can generally participate in tax-sheltered annuity (403(b)) plans. For more information, see Pub. 571, Tax-Sheltered Annuity Plans.

**Deducting contributions to tax-sheltered annuity plans.** If you are an employee, your employer may exclude allowable contributions to a 403(b) plan from your income. These contributions won't be included in your total wages on your Form W-2, but you will pay tax on distributions from your plan. However, if you choose to have contributions made to a Roth contribution program, they won't be excluded from your income, but will be distributed tax free if you satisfy certain requirements.

You may also participate in a 403(b) plan if you are a minister or chaplain and, in the exercise of your ministry, you are either self-employed or employed by an organization that isn't

exempt from tax under section 501(c)(3) of the Internal Revenue Code. If either situation applies to you, you can deduct your contributions to a 403(b) plan as explained next.

- If you are self-employed, deduct your contributions on Schedule 1 (Form 1040), line 16.
- If you aren't self-employed and your employer doesn't exclude your contributions from your earned income, deduct your contributions on Schedule 1 (Form 1040), line 24g.

**Retirement savings contributions credit.** You may be able to take a tax credit of up to \$1,000 (up to \$2,000 if filing jointly) for certain contributions you make to any of the retirement plans or IRAs discussed earlier. The credit is based on the contributions you make and your credit rate. Your credit rate can be as low as 10% or as high as 50%, depending on your filing status and AGI. Figure the credit on Form 8880, Credit for Qualified Retirement Savings Contributions.

You can't take the credit if any of the following apply.

1. You were born after January 1, 2006.
2. You were a student who, during any part of 5 calendar months (not necessarily consecutive) of 2023:
  - a. Was enrolled as a full-time student at a school that has a regular teaching staff, course of study, and regularly enrolled body of students in attendance; or
  - b. Took a full-time, on-farm training course given by a school that has a regular teaching staff, course of study, and regularly enrolled body of students in attendance, or a state, county, or local government agency.
3. Someone, such as your parent(s), claims an exemption for you on their 2023 tax return.
4. Your AGI for 2023 is more than:
  - a. \$73,000, if your filing status is married filing jointly;
  - b. \$54,750, if your filing status is head of household; or
  - c. \$36,500, if your filing status is single, married filing separately, or qualifying surviving spouse.

**School.** A school includes technical, trade, and mechanical schools. It doesn't include on-the-job training courses, correspondence schools, or schools offering courses only through the Internet.

**Full-time student.** You are a full-time student if you are enrolled for the number of hours or courses the school considers to be full time.

**AGI.** When figuring AGI, you must add back any exclusion or deduction claimed for the year for:

1. Foreign earned income,
2. Foreign housing costs,

3. Income of bona fide residents of American Samoa, and
4. Income of bona fide residents of Puerto Rico.

**More information.** For more information about the credit, see Pub. 590-A.

## Earned Income Credit (EIC)

The EIC is a tax credit for certain people who work. If you qualify for it, the EIC reduces the tax you owe. The EIC may give you a refund even if you don't owe any tax.

You can't take the credit for 2023 if your earned income (or adjusted gross income) is:

- \$17,640 or more (\$24,210 or more if married filing jointly) and you don't have a qualifying child,
- \$46,560 or more (\$53,120 or more if married filing jointly) and you have one qualifying child,
- \$52,918 or more (\$59,478 or more if married filing jointly) and you have two qualifying children, or
- \$56,838 or more (\$63,398 if married filing jointly) and you have three or more qualifying children.

**Earned income.** Earned income includes your:

1. Wages, salaries, tips, and other taxable employee compensation (even if these amounts are exempt from FICA or SECA under an approved Form 4029 or 4361); and
2. Net earnings from self-employment that are **not** exempt from SECA (you don't have an approved Form 4029 or 4361) that you report on Schedule SE (Form 1040), line 3, with the following adjustments:
  - a. Subtract the amount you claimed (or should have claimed) on Schedule 1 (Form 1040), line 15, for the deductible part of your SE tax.
  - b. Add any amount from Schedule SE (Form 1040), line 4b and line 5a.



*If you are a minister and have an approved Form 4361, your earned income will still include wages and salaries earned as an employee, but it will **not** include amounts you received for nonemployee ministerial duties, such as fees for performing marriages and baptisms, and honoraria for delivering speeches.*

**More information.** For detailed rules on this credit, see Pub. 596. To figure the amount of your credit, you can either fill out a worksheet or have the IRS figure the credit for you. See Pub. 596 for the steps you must follow to have the IRS figure your EIC.



# Worksheets

These worksheets are provided to help you figure your taxable ministerial income, your allowable deductions, and your net self-employment income.

## Worksheet 1. Figuring the Percentage of Tax-Free Income

**Note.** For each line, enter the appropriate amount in **all** boxes that aren't shaded.

	Source of Income		(a) Taxable	(b) Tax-free	(c) Total
1	W-2 salary as a minister (from box 1 of Form W-2)	1			
2	Gross income from weddings, baptisms, writing, lecturing, etc. (from line 1 of Schedule C)	2			
<b>Note.</b> Complete <b>either</b> lines 3a through 3e or lines 4a through 4i.					
• If your church provides you with a parsonage, complete lines 3a through 3e.					
• If, instead of providing a parsonage, your church provides you with a rental or parsonage allowance, complete lines 4a through 4i.					
3a	FRV* of parsonage provided by church	3a			
b	Utility allowance, if any	3b			
c	Actual expenses for utilities	3c			
d	Enter the smaller of line 3b or 3c	3d			
e	Excess utility allowance (subtract line 3d from line 3b)	3e			
4a	Parsonage or rental allowance	4a			
b	Utility allowance, if separate	4b			
c	Total allowance (add lines 4a and 4b)	4c			
d	Actual expenses for parsonage	4d			
e	Actual expenses for utilities	4e			
f	Total actual expenses for parsonage and utilities (add lines 4d and 4e)	4f			
g	FRV* of home, plus the cost of utilities	4g			
h	Enter the smaller of line 4c, 4f, or 4g	4h			
i	Excess allowance (subtract line 4h from line 4c)	4i			
5	<b>Ministerial income</b> (for columns (a), (b), and (c), add lines 1 through 4i)	5			
6	<b>Percentage of tax-free income:</b> $\frac{\text{Total tax-free income (line 5(b)) \$}}{\text{Total income (line 5(c)) \$}}$			=	%**
* FRV (Fair Rental Value): As determined objectively and between unrelated parties, what it would cost to rent a comparable home (including furnishings) in a similar location.					
** This percentage of your ministerial expenses won't be deductible. Use Worksheets 2 and 3 to figure your allowable deductions.					

## Worksheet 2. Figuring the Allowable Deduction for Schedule C Expenses

1	<b>Percentage of expenses that are nondeductible</b> (from Worksheet 1, line 6): _____ %				
2	Business use of car for entire year: _____ miles × 65.5 cents (\$0.655)	2			
3	Meals: \$ _____ × 50% (0.50)	3			
4	Other expenses (list item and amount)				
a		4a			
b		4b			
c		4c			
d		4d			
e		4e			
f	Total other expenses (add lines 4a through 4e)	4f			
5	Total Schedule C expenses (add lines 2, 3, and 4f)	5			
6	Nondeductible part of Schedule C expenses (multiply line 5 by the percent in line 1)	6			
7	<b>Deduction allowed.*</b> Subtract line 6 from line 5. Enter the result here and on Schedule C, line 27a.	7			
* None of the other deductions claimed in this return are allocable to tax-free income.					

### Worksheet 3. Figuring Net Self-Employment Income for Schedule SE (Form 1040)

1	W-2 salary as a minister (from box 1 of Form W-2)	1		
2	Net profit from Schedule C, line 31	2		
3a	Parsonage or rental allowance (from Worksheet 1, line 3a or 4a)	3a		
b	Utility allowance (from Worksheet 1, line 3b or 4b)	3b		
c	Total allowance (add lines 3a and 3b)	3c		
4	Add lines 1, 2, and 3c	4		
5	Schedule C expenses allocable to tax-free income (from Worksheet 2, line 6)	5		
6	Total unreimbursed employee business expenses	6		
7	Total business expenses not deducted in lines 1 and 2 above (add lines 5 and 6)	7		
8	<b>Net self-employment income.</b> Subtract line 7 from line 4. Enter here and on Schedule SE (Form 1040), line 2.	8		

## How To Get Tax Help

If you have questions about a tax issue; need help preparing your tax return; or want to download free publications, forms, or instructions, go to [IRS.gov](https://www.irs.gov) to find resources that can help you right away.

**Preparing and filing your tax return.** After receiving all your wage and earnings statements (Forms W-2, W-2G, 1099-R, 1099-MISC, 1099-NEC, etc.); unemployment compensation statements (by mail or in a digital format) or other government payment statements (Form 1099-G); and interest, dividend, and retirement statements from banks and investment firms (Forms 1099), you have several options to choose from to prepare and file your tax return. You can prepare the tax return yourself, see if you qualify for free tax preparation, or hire a tax professional to prepare your return.

**Free options for tax preparation.** Your options for preparing and filing your return online or in your local community, if you qualify, include the following.

- **Free File.** This program lets you prepare and file your federal individual income tax return for free using software or Free File Fillable Forms. However, state tax preparation may not be available through Free File. Go to [IRS.gov/FreeFile](https://www.irs.gov/FreeFile) to see if you qualify for free online federal tax preparation, e-filing, and direct deposit or payment options.
- **VITA.** The Volunteer Income Tax Assistance (VITA) program offers free tax help to people with low-to-moderate incomes, persons with disabilities, and limited-English-speaking taxpayers who need help preparing their own tax returns. Go to [IRS.gov/VITA](https://www.irs.gov/VITA), download the free IRS2Go app, or call 800-906-9887 for information on free tax return preparation.
- **TCE.** The Tax Counseling for the Elderly (TCE) program offers free tax help for all taxpayers, particularly those who are 60 years of age and older. TCE volunteers specialize in answering questions about pensions and retirement-related issues unique to seniors. Go to [IRS.gov/TCE](https://www.irs.gov/TCE) or download the free IRS2Go app for information on free tax return preparation.
- **MilTax.** Members of the U.S. Armed Forces and qualified veterans may use

MilTax, a free tax service offered by the Department of Defense through Military OneSource. For more information, go to [MilitaryOneSource](https://www.militaryonesource.com) ([MilitaryOneSource.mil/MilTax](https://www.militaryonesource.com)).

Also, the IRS offers Free Fillable Forms, which can be completed online and then e-filed regardless of income.

**Using online tools to help prepare your return.** Go to [IRS.gov/Tools](https://www.irs.gov/Tools) for the following.

- The [Earned Income Tax Credit Assistant](https://www.irs.gov/EITCAssistant) ([IRS.gov/EITCAssistant](https://www.irs.gov/EITCAssistant)) determines if you're eligible for the earned income credit (EIC).
- The [Online EIN Application](https://www.irs.gov/EIN) ([IRS.gov/EIN](https://www.irs.gov/EIN)) helps you get an employer identification number (EIN) at no cost.
- The [Tax Withholding Estimator](https://www.irs.gov/W4App) ([IRS.gov/W4App](https://www.irs.gov/W4App)) makes it easier for you to estimate the federal income tax you want your employer to withhold from your paycheck. This is tax withholding. See how your withholding affects your refund, take-home pay, or tax due.
- The [First-Time Homebuyer Credit Account Look-up](https://www.irs.gov/HomeBuyer) ([IRS.gov/HomeBuyer](https://www.irs.gov/HomeBuyer)) tool provides information on your repayments and account balance.
- The [Sales Tax Deduction Calculator](https://www.irs.gov/SalesTax) ([IRS.gov/SalesTax](https://www.irs.gov/SalesTax)) figures the amount you can claim if you itemize deductions on Schedule A (Form 1040).



**Getting answers to your tax questions.** On [IRS.gov](https://www.irs.gov), you can get up-to-date information on current events and changes in tax law.

- [IRS.gov/Help](https://www.irs.gov/Help): A variety of tools to help you get answers to some of the most common tax questions.
- [IRS.gov/ITA](https://www.irs.gov/ITA): The Interactive Tax Assistant, a tool that will ask you questions and, based on your input, provide answers on a number of tax topics.
- [IRS.gov/Forms](https://www.irs.gov/Forms): Find forms, instructions, and publications. You will find details on the most recent tax changes and interactive links to help you find answers to your questions.
- You may also be able to access tax information in your e-filing software.

**Need someone to prepare your tax return?** There are various types of tax return preparers,

including enrolled agents, certified public accountants (CPAs), accountants, and many others who don't have professional credentials. If you choose to have someone prepare your tax return, choose that preparer wisely. A paid tax preparer is:

- Primarily responsible for the overall substantive accuracy of your return,
- Required to sign the return, and
- Required to include their preparer tax identification number (PTIN).



*Although the tax preparer always signs the return, you're ultimately responsible for providing all the information required for the preparer to accurately prepare your return and for the accuracy of every item reported on the return. Anyone paid to prepare tax returns for others should have a thorough understanding of tax matters. For more information on how to choose a tax preparer, go to [Tips for Choosing a Tax Preparer](https://www.irs.gov/ChoosingATaxPreparer) on [IRS.gov](https://www.irs.gov).*

**Employers can register to use Business Services Online.** The Social Security Administration (SSA) offers online service at [SSA.gov/employer](https://www.ssa.gov/employer) for fast, free, and secure W-2 filing options to CPAs, accountants, enrolled agents, and individuals who process Form W-2, Wage and Tax Statement, and Form W-2c, Corrected Wage and Tax Statement.

**IRS social media.** Go to [IRS.gov/SocialMedia](https://www.irs.gov/SocialMedia) to see the various social media tools the IRS uses to share the latest information on tax changes, scam alerts, initiatives, products, and services. At the IRS, privacy and security are our highest priority. We use these tools to share public information with you. **Don't** post your social security number (SSN) or other confidential information on social media sites. Always protect your identity when using any social networking site.

The following IRS YouTube channels provide short, informative videos on various tax-related topics in English, Spanish, and ASL.

- [Youtube.com/irsvideos](https://www.youtube.com/irsvideos).
- [Youtube.com/irsvideosmultilingua](https://www.youtube.com/irsvideosmultilingua).
- [Youtube.com/irsvideosASL](https://www.youtube.com/irsvideosASL).

**Watching IRS videos.** The IRS Video portal ([IRSVideos.gov](https://www.irs.gov/IRSVideos)) contains video and audio presentations for individuals, small businesses, and tax professionals.

**Online tax information in other languages.** You can find information on [IRS.gov/MyLanguage](https://www.irs.gov/MyLanguage) if English isn't your native language.

**Free Over-the-Phone Interpreter (OPI) Service.** The IRS is committed to serving taxpayers with limited-English proficiency (LEP) by offering OPI services. The OPI Service is a federally funded program and is available at Taxpayer Assistance Centers (TACs), most IRS offices, and every VITA/TCE tax return site. The OPI Service is accessible in more than 350 languages.

**Accessibility Helpline available for taxpayers with disabilities.** Taxpayers who need information about accessibility services can call 833-690-0598. The Accessibility Helpline can answer questions related to current and future accessibility products and services available in alternative media formats (for example, braille, large print, audio, etc.). The Accessibility Helpline does not have access to your IRS account. For help with tax law, refunds, or account-related issues, go to [IRS.gov/LetUsHelp](https://www.irs.gov/LetUsHelp).

**Note.** Form 9000, Alternative Media Preference, or Form 9000(SP) allows you to elect to receive certain types of written correspondence in the following formats.

- Standard Print.
- Large Print.
- Braille.
- Audio (MP3).
- Plain Text File (TXT).
- Braille Ready File (BRF).

**Disasters.** Go to [IRS.gov/DisasterRelief](https://www.irs.gov/DisasterRelief) to review the available disaster tax relief.

**Getting tax forms and publications.** Go to [IRS.gov/Forms](https://www.irs.gov/Forms) to view, download, or print all the forms, instructions, and publications you may need. Or, you can go to [IRS.gov/OrderForms](https://www.irs.gov/OrderForms) to place an order.

**Getting tax publications and instructions in eBook format.** Download and view most tax publications and instructions (including the Instructions for Form 1040) on mobile devices as eBooks at [IRS.gov/eBooks](https://www.irs.gov/eBooks).

IRS eBooks have been tested using Apple's iBooks for iPad. Our eBooks haven't been tested on other dedicated eBook readers, and eBook functionality may not operate as intended.

**Access your online account (individual taxpayers only).** Go to [IRS.gov/Account](https://www.irs.gov/Account) to securely access information about your federal tax account.

- View the amount you owe and a breakdown by tax year.
- See payment plan details or apply for a new payment plan.
- Make a payment or view 5 years of payment history and any pending or scheduled payments.
- Access your tax records, including key data from your most recent tax return, and transcripts.

- View digital copies of select notices from the IRS.
- Approve or reject authorization requests from tax professionals.
- View your address on file or manage your communication preferences.

**Get a transcript of your return.** With an online account, you can access a variety of information to help you during the filing season. You can get a transcript, review your most recently filed tax return, and get your adjusted gross income. Create or access your online account at [IRS.gov/Account](https://www.irs.gov/Account).

**Tax Pro Account.** This tool lets your tax professional submit an authorization request to access your individual taxpayer IRS online account. For more information, go to [IRS.gov/TaxProAccount](https://www.irs.gov/TaxProAccount).

**Using direct deposit.** The safest and easiest way to receive a tax refund is to e-file and choose direct deposit, which securely and electronically transfers your refund directly into your financial account. Direct deposit also avoids the possibility that your check could be lost, stolen, destroyed, or returned undeliverable to the IRS. Eight in 10 taxpayers use direct deposit to receive their refunds. If you don't have a bank account, go to [IRS.gov/DirectDeposit](https://www.irs.gov/DirectDeposit) for more information on where to find a bank or credit union that can open an account online.

**Reporting and resolving your tax-related identity theft issues.**

- Tax-related identity theft happens when someone steals your personal information to commit tax fraud. Your taxes can be affected if your SSN is used to file a fraudulent return or to claim a refund or credit.
- The IRS doesn't initiate contact with taxpayers by email, text messages (including shortened links), telephone calls, or social media channels to request or verify personal or financial information. This includes requests for personal identification numbers (PINs), passwords, or similar information for credit cards, banks, or other financial accounts.
- Go to [IRS.gov/IdentityTheft](https://www.irs.gov/IdentityTheft), the IRS Identity Theft Central webpage, for information on identity theft and data security protection for taxpayers, tax professionals, and businesses. If your SSN has been lost or stolen or you suspect you're a victim of tax-related identity theft, you can learn what steps you should take.
- Get an Identity Protection PIN (IP PIN). IP PINs are six-digit numbers assigned to taxpayers to help prevent the misuse of their SSNs on fraudulent federal income tax returns. When you have an IP PIN, it prevents someone else from filing a tax return with your SSN. To learn more, go to [IRS.gov/IPPIN](https://www.irs.gov/IPPIN).

**Ways to check on the status of your refund.**

- Go to [IRS.gov/Refunds](https://www.irs.gov/Refunds).
- Download the official IRS2Go app to your mobile device to check your refund status.
- Call the automated refund hotline at 800-829-1954.



*The IRS can't issue refunds before mid-February for returns that claimed the EIC or the additional child tax credit (ACTC). This applies to the entire refund, not just the portion associated with these credits.*

**Making a tax payment.** Payments of U.S. tax must be remitted to the IRS in U.S. dollars. **Digital assets are not accepted.** Go to [IRS.gov/Payments](https://www.irs.gov/Payments) for information on how to make a payment using any of the following options.

- **IRS Direct Pay:** Pay your individual tax bill or estimated tax payment directly from your checking or savings account at no cost to you.
- **Debit Card, Credit Card, or Digital Wallet:** Choose an approved payment processor to pay online or by phone.
- **Electronic Funds Withdrawal:** Schedule a payment when filing your federal taxes using tax return preparation software or through a tax professional.
- **Electronic Federal Tax Payment System:** Best option for businesses. Enrollment is required.
- **Check or Money Order:** Mail your payment to the address listed on the notice or instructions.
- **Cash:** You may be able to pay your taxes with cash at a participating retail store.
- **Same-Day Wire:** You may be able to do same-day wire from your financial institution. Contact your financial institution for availability, cost, and time frames.

**Note.** The IRS uses the latest encryption technology to ensure that the electronic payments you make online, by phone, or from a mobile device using the IRS2Go app are safe and secure. Paying electronically is quick, easy, and faster than mailing in a check or money order.

**What if I can't pay now?** Go to [IRS.gov/Payments](https://www.irs.gov/Payments) for more information about your options.

- Apply for an [online payment agreement \(IRS.gov/OPA\)](https://www.irs.gov/OPA) to meet your tax obligation in monthly installments if you can't pay your taxes in full today. Once you complete the online process, you will receive immediate notification of whether your agreement has been approved.
- Use the [Offer in Compromise Pre-Qualifier](https://www.irs.gov/OIC) to see if you can settle your tax debt for less than the full amount you owe. For more information on the Offer in Compromise program, go to [IRS.gov/OIC](https://www.irs.gov/OIC).

**Filing an amended return.** Go to [IRS.gov/Form1040X](https://www.irs.gov/Form1040X) for information and updates.

**Checking the status of your amended return.** Go to [IRS.gov/WMAR](https://www.irs.gov/WMAR) to track the status of Form 1040-X amended returns.



*It can take up to 3 weeks from the date you filed your amended return for it to show up in our system, and processing it can take up to 16 weeks.*

**Understanding an IRS notice or letter you've received.** Go to [IRS.gov/Notices](https://www.irs.gov/Notices) to find

additional information about responding to an IRS notice or letter.

**Responding to an IRS notice or letter.** You can now upload responses to all notices and letters using the Document Upload Tool. For notices that require additional action, taxpayers will be redirected appropriately on IRS.gov to take further action. To learn more about the tool, go to [IRS.gov/Upload](https://www.irs.gov/Upload).

**Note.** You can use Schedule LEP (Form 1040), Request for Change in Language Preference, to state a preference to receive notices, letters, or other written communications from the IRS in an alternative language. You may not immediately receive written communications in the requested language. The IRS's commitment to LEP taxpayers is part of a multi-year timeline that began providing translations in 2023. You will continue to receive communications, including notices and letters, in English until they are translated to your preferred language.

**Contacting your local TAC.** Keep in mind, many questions can be answered on IRS.gov without visiting a TAC. Go to [IRS.gov/LetUsHelp](https://www.irs.gov/LetUsHelp) for the topics people ask about most. If you still need help, TACs provide tax help when a tax issue can't be handled online or by phone. All TACs now provide service by appointment, so you'll know in advance that you can get the service you need without long wait times. Before you visit, go to [IRS.gov/TACLocator](https://www.irs.gov/TACLocator) to find the nearest TAC and to check hours, available services, and appointment options. Or, on the IRS2Go app, under the Stay Connected tab, choose the Contact Us option and click on "Local Offices."

## The Taxpayer Advocate Service (TAS) Is Here To Help You

### What Is TAS?

TAS is an *independent* organization within the IRS that helps taxpayers and protects taxpayer

rights. TAS strives to ensure that every taxpayer is treated fairly and that you know and understand your rights under the [Taxpayer Bill of Rights](https://www.irs.gov/advocate).

### How Can You Learn About Your Taxpayer Rights?

The Taxpayer Bill of Rights describes 10 basic rights that all taxpayers have when dealing with the IRS. Go to [TaxpayerAdvocate.IRS.gov](https://www.irs.gov/advocate) to help you understand what these rights mean to you and how they apply. These are *your* rights. Know them. Use them.

### What Can TAS Do for You?

TAS can help you resolve problems that you can't resolve with the IRS. And their service is free. If you qualify for their assistance, you will be assigned to one advocate who will work with you throughout the process and will do everything possible to resolve your issue. TAS can help you if:

- Your problem is causing financial difficulty for you, your family, or your business;
- You face (or your business is facing) an immediate threat of adverse action; or
- You've tried repeatedly to contact the IRS but no one has responded, or the IRS hasn't responded by the date promised.

### How Can You Reach TAS?

TAS has offices [in every state, the District of Columbia, and Puerto Rico](https://www.irs.gov/advocate). To find your advocate's number:

- Go to [TaxpayerAdvocate.IRS.gov/Contact-Us](https://www.irs.gov/advocate);
- Download Pub. 1546, The Taxpayer Advocate Service Is Your Voice at the IRS, available at [IRS.gov/pub/irs-pdf/p1546.pdf](https://www.irs.gov/pub/irs-pdf/p1546.pdf);
- Call the IRS toll free at 800-TAX-FORM (800-829-3676) to order a copy of Pub. 1546;
- Check your local directory; or
- Call TAS toll free at 877-777-4778.

### How Else Does TAS Help Taxpayers?

TAS works to resolve large-scale problems that affect many taxpayers. If you know of one of these broad issues, report it to TAS at [IRS.gov/SAMS](https://www.irs.gov/SAMS). Be sure to not include any personal taxpayer information.

### Low Income Taxpayer Clinics (LITCs)

LITCs are independent from the IRS and TAS. LITCs represent individuals whose income is below a certain level and who need to resolve tax problems with the IRS. LITCs can represent taxpayers in audits, appeals, and tax collection disputes before the IRS and in court. In addition, LITCs can provide information about taxpayer rights and responsibilities in different languages for individuals who speak English as a second language. Services are offered for free or a small fee. For more information or to find an LTC near you, go to the LTC page at [TaxpayerAdvocate.IRS.gov/LITC](https://www.irs.gov/advocate) or see IRS Pub. 4134, [Low Income Taxpayer Clinic List](https://www.irs.gov/pub/irs-pdf/p4134.pdf), at [IRS.gov/pub/irs-pdf/p4134.pdf](https://www.irs.gov/pub/irs-pdf/p4134.pdf).





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