

GUIDELINES FOR PARISH TAX ASSESSMENTS

1. A Parish Tax Assessment rate of 10% and a 3% tax for the Priest Retirement and Benefit Trust will be applied to all parish income except:
 - A. Grant monies given to the parish by the diocese or other outside organizations to subsidize income.
 - B. Unsolicited restricted gifts made in writing to the parish for a specified purpose. Parish appeals are considered solicited gifts, therefore are taxable. For the most current definition please contact the Diocesan Finance Officer. Catholic school subsidies or scholarships.
 - C. United in Ministry (UIM) rebates.
 - D. Donations/collections given to benefit the poor such as: parish or community food banks, Catholic Charities and St. Vincent de Paul Society.
 - E. Diocesan subsidies given to parishes.
2. The following expenses are tax deductible from income:
 - F. School subsidies/tuition support to catholic schools and parishes in need within the Diocese.
 - G. Debt payments for loans made to the Parish Investment Plan.
 - H. For parishes that have cemeteries/columbaria, these expenses are deductible
 - I. Fundraising activity expenses are deductible, these expenses cannot exceed the fundraising income. Each fundraiser is to be accounted for separately.
 - J. Insurance claim expenses are deductible limited up to the amount of insurance proceeds. Net insurance proceeds are taxable.
 - K. Bingo payouts are deductible from bingo income. This also applies to bingo games operated by a different entity for the parish.
4. Parish Tax Assessment is to be paid by each parish monthly. The amount will be based on the actual taxable monthly income calculated by the parish bookkeeper and submitted with the Parish/Mission Financial Activity Remittance Report by the 25th of the following month. Failure to submit monthly payments will result in a charge by the Diocese after monthly review of the financials and will be subject to a 1.5% late fee. Adjustments to timely Parish Tax Assessment payments and charges will be made at fiscal year-end after Diocesan review and communication with the pastor and bookkeeper. A credit balance will be carried over on the statement, a balance due must be paid by the 25th of the month following final review or late fees will be charged.

5. Disputes regarding parish tax assessment calculation must be submitted in writing to the Finance Office. These will be reviewed by Bishop's Advisory Council (BAC) for recommendation to the Bishop for final determination.