



FINANCE NEWSLETTER 163

TO: Parish Treasurers, Presbytery and Parish clerks
FROM: Brendan Sweeney, Manager, Financial Services
DATE: 29 May 2014

1.	Minister's stipend increase from 1 July 2014
2.	Parish statistics packs to 30 June 2014

1. Ministers stipend increase from 1 July 2014

The increase to ministers stipend, seniority allowance and Beneficiary Fund contributions, based on the Labour Cost Index to March 2014, issued by the Department of Statistics, has been calculated and agreed by the Resource Sub-committee of the Council of Assembly.

Basic Stipend

The basic stipend increases by 1.6% to \$45,680 per annum from 1 July 2014.

Supply Fees

Supply fees for a minister or theological student leading services, based in the 2013-14 stipend are:

One service:	\$237.54	(.052% of basic stipend)
Two Services	\$319.76	(0.7% of basic stipend)
Two services with the same people	\$456.80	(1% of basic stipend)

Reimbursing Allowances

Reimbursing allowances will remain unchanged at \$2,623 per annum as follows:

Hospitality	\$665.00
Books	\$803.00
Clothing (Vestments)	\$159.00
Other Expenses	\$996.00

Beneficiary Fund Personal Contributions

Personal Contributions payable by all members of the Beneficiary Fund in full time service is calculated as 5% of the Basic Stipend. From 1 July 2014 that amount will be \$2,284.00 per annum (\$190.33 per month).

Housing Allowance

You may be aware that the tax law relating to ministers housing has reverted to allowing a notional allowance of 10% of stipend (less 15%) for ministers housing provided by a church (refer treasurers newsletter December 2013).

This calculation applies and is demonstrated in the appendix. You should be aware that while the notional allowance is not under review, the calculation of the discount applied for church use of the manse (currently 15% of 1/6 of the allowance) is under review and likely to change in the next year. I will keep you updated when this change is made.

Deductions from stipend

Many ministers have loan repayments or beneficiary fund employee contributions deducted from their stipend. These deductions should be taken from the stipend after P.A.Y.E. has been deducted.

Summary

A breakdown of how stipend, allowances and PAYE are calculated across a range of Ministers housing and seniority scenarios is attached as an appendix. For further information please contact Margaret Fawcett or myself at assembly office.

This information will be posted in an update of the CMS guide dated 1 June.

2. Parish statistics packs to 30 June 2014

Statistics pack for the year to 30 June 2014 have been posted to all session clerks and are attached to this communication for your information. The packs consist of:

- Covering letter
- Membership statistics template
- Finance statistics template
- Review certificate
- Guidelines for completion

Note the finance form is a summary of the parishes year-end financial statements and the due date for return is 26 September.

Please complete the forms once the annual financial statements have been reviewed, or pass to the appropriate person for completion. Please advise Katrina Graham or myself if you have any questions or if completion by the due date is not achievable. Many thanks for your attention.

Appendix 1

2014-15 Ministers Stipend and Allowance Calculation (Annualized)

Scenario 1: Minister living in manse (either owned by Parish or rented from a third party)

Year of Service	Basic Stipend (1.6% increase on prior year)	Seniority Allowance as % of Stipend	Seniority Allowance	Notional rent (Note 1)	Gross Taxable Income	P.A.Y.E. (Note 2)	NET Stipend Payable	Ministers Contribution to Beneficiary Fund (Note 4)	Reimbursing Allowance (non taxable)	Manse Rental	Net Stipend and Allowances (Note 5)
1st	45,680.00		-	3,882.80	49,562.80	(8,607.04)	40,955.76	(2,284.00)	2,622.96	(3,882.80)	37,411.92
2nd - 5th	45,680.00	6%	2,740.80	3,882.80	52,303.60	(9,469.20)	42,834.40	(2,284.00)	2,622.96	(3,882.80)	39,290.56
6th - 10th	45,680.00	12%	5,481.60	3,882.80	55,044.40	(10,330.84)	44,713.56	(2,284.00)	2,622.96	(3,882.80)	41,169.72
11th and over	45,680.00	18%	8,222.40	3,882.80	57,785.20	(11,193.00)	46,592.20	(2,284.00)	2,622.96	(3,882.80)	43,048.36

Scenario 2: Minister living in own home

Year of Service	Basic Stipend (1.6% increase on prior year)	Seniority Allowance as % of Stipend	Seniority Allowance	Estimated Housing Allowance (note 3)	Gross Taxable Income	P.A.Y.E. (Note 1)	NET Stipend payable	Ministers Contribution to Beneficiary Fund (Note 4)	ADD Reimbursing Allowance (non taxable)	Net Stipend and Allowances (Note 5)
1st	45,680.00		-	26,000.00	71,680.00	(15,613.52)	56,066.48	(2,284.00)	2,622.96	56,405.44
2nd - 5th	45,680.00	6%	2,740.80	26,000.00	74,420.80	(16,557.32)	57,863.48	(2,284.00)	2,622.96	58,202.44
6th - 10th	45,680.00	12%	5,481.60	26,000.00	77,161.60	(17,501.64)	59,659.96	(2,284.00)	2,622.96	59,998.92
11th and over	45,680.00	18%	8,222.40	26,000.00	79,902.40	(18,445.96)	61,456.44	(2,284.00)	2,622.96	61,795.40

Assumptions

- 1 Notional Tax of 10% of Stipend (less 15% for part use of manse for Church use) applies
- 2 Tax calculation presumes tax code "M". Includes ACC
- 3 Housing allowance calculated as \$500 per week (assumed market rental)
- 4 Beneficiary Fund personal contributions are 5% of basic stipend
- 5 There are no additional allowances nor deductions from the ministers gross stipend

