

**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 or subsidies given to the parish by the diocese or other outside organizations.
  - B. Capital Campaigns for projects preapproved by the Bishop.
  - C. Unsolicited restricted gifts made in writing to the parish for a specified purpose. Parish appeals are considered solicited gifts, therefore are taxable.
  - D. Donations/collections given to benefit the poor such as: parish or community food banks, Catholic Charities and St. Vincent de Paul Society.
2. The following expenses are tax deductible from income:
  - A. School subsidies/tuition support to catholic schools and parishes in need within the Diocese.
  - B. Interest payments for loans made to the Parish Investment Plan.
  - C. For parishes that have cemeteries/columbaria, these expenses are deductible
  - D. Fundraising activity expenses are deductible, these expenses cannot exceed the fundraising income. Each fundraiser is to be accounted for separately.
  - E. Insurance claim expenses are deductible limited up to the amount of insurance proceeds.
  - F. Bingo payouts are deductible from bingo income. This also applies to bingo games operated by a different entity for the parish.
3. 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 using the Parish/Mission Taxable Income Return by the 15<sup>th</sup> of the following month. Tax payments more than sixty (60) days past due 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.
4. Disputes regarding parish tax assessment calculation must be submitted in writing to the Finance Office. These will be reviewed by the Bishop for final determination.