

ARCHDIOCESE OF SAINT PAUL AND MINNEAPOLIS

CLERGY BULLETIN

May 16, 2011

327

Reverend and Dear Fathers,

Enclosed is the Salary Schedule for Diocesan Priests for the fiscal year beginning **July 1, 2011**. The base pay, self-employment tax allowance (SECA), and auto/expense allowance categories are part of the salary, but are combined as a single amount called Regular Salary.

The Regular Salary for a priest in 2011-2012 will be **\$22,898** plus an increment of **\$239** for each year of ordination. This represents a 1% increase in the Regular Salary over prior year. The Presbyteral Council is currently studying priest compensation levels and the process of annual increases in the Archdiocese. Further work will be done in the fall/winter on this issue.

The following is a recap of the salary schedule with examples:

	2010 - 2011	2011 - 2012
Regular Salary (newly ordained)	\$ 22,572	\$22,898
Increment	238	239

Examples:

10 year priest	\$ 22,898 Regular Salary + \$ 2,390 increment = \$ 25,288
20 year priest	\$ 22,898 Regular Salary + \$ 4,780 increment = \$ 27,678
30 year priest	\$ 22,898 Regular Salary + \$ 7,170 increment = \$ 30,068

The Regular Salary and ordination increment are taxable income subject to income tax. Salary is to be paid through payroll and reported as income on IRS Form W-2 by the parish or institution paying the priest. By law, the parish or institution employing the priest cannot withhold FICA as they do for lay employees. Inclusion of the SECA allowance as part of the Regular Salary recognizes the fact that priests must pay self-employment taxes and this allowance is to assist them in paying this liability. This is due to your peculiar employment status for the Internal Revenue Service and Social Security Administration.

Priests who are retired and continue to work must pay self-employment tax on their work-generated earnings. An additional 15% should be added to any earnings that are paid to the retired priests for their services (although the Archdiocese does suggest \$155.00 for weekend help [see enclosed detail] often this amount is negotiated with the parishes). The additional 15% is to be applied only to retired priests who are compensated for their services. It does not apply to priests who remain active. Retired priests should also be paid mileage for their roundtrip travel to the parish that they are serving.

Sincerely Yours in Christ,

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Most Reverend John C. Nienstedt
Archbishop of Saint Paul and Minneapolis

SALARY SCHEDULE FOR DIOCESAN PRIESTS
EFFECTIVE JULY 1, 2011

I. ORDINARY INCOME

PARISH PRIESTS

Regular Salary

The Regular Salary is \$22,898 annually, plus a \$239 increment per year of ordination. This entire amount is taxable income and reported on IRS Form W-2.

For those who drive more than 10,000 miles per year, the employer will reimburse the priest at \$.51 cents per business mile over the 10,000 mile base.

TOTAL OF ORDINARY INCOME

Regular Salary \$22,898

Priests with multiple assignments by the Archbishop have their salary prorated among the assignments.

PRIESTS SERVING IN BUREAUS OR INSTITUTIONS

Regular Salary

The Regular Salary is \$14,838 annually, plus a \$239 increment per year of ordination. This entire amount is taxable income and reported on IRS Form W-2.

For those who drive more than 10,000 miles per year, the employer for whom the excess mileage was incurred will reimburse the priest at \$.51 cents per business mile over the 10,000 mile base.

Weekend Pay / Expense Allowance

Priests on weekend assignments will be paid \$155 per weekend (presumes assistance on Saturday evenings and Sunday), thus giving a potential of \$8,060 per year. Reimbursement should be prorated if more than three Masses a weekend are celebrated.

TOTAL OF ORDINARY INCOME

Regular Salary	\$14,838
Weekends	8,060
TOTAL	\$22,898

Priests who do not assist in parishes on weekends due to their assigned duties in an institution or bureau (e.g., instructors, spiritual directors, chaplains, etc.) are to be compensated by their bureau or institution at a rate no less than that paid for weekend assignment. Likewise, the bureau or institution will reimburse the priest while he is on vacation, which allows for one month away from ministry.

Priests with multiple assignments by the Archbishop have their salary prorated among the assignments

II. DISPOSITION OF MASS STIPENDS AND STOLE FEES

PARISH PRIESTS

- A. Stole Fees:**
Become the property of the parish.
- B. Mass Stipends:**
There is a uniform Mass stipend of \$7.00.
Mass stipends become the property of the parish treasury.

PRIESTS SERVING IN BUREAUS OR INSTITUTIONS

- A. Stole Fees:**
Become the property of the parish.
- B. Mass Stipends:**
Mass stipends become the property of the institution.

III. OTHER BENEFITS

PARISH PRIESTS

- A. Professional Expenses**
Institutes, seminars, workshops, etc. will be paid by parish. These professional expenses shall be **\$990 per priest per year** of which **\$260 per priest** at the parish is to be contributed to the Sabbatical Fund and sent to the Chancery each year.
- Annual Retreat Fees** are to be paid by the parish, over and above Professional Expenses.
- B. Medical/Dental and Retirement Benefits**
Medical, dental, and retirement are paid by the parish institution, or bureau to which the priest is officially assigned. The benefits will be provided by the Archdiocesan group plan for priests.
- C. Living Maintenance**
Food, laundry, household help, etc. shall be provided by the parish.

PRIESTS SERVING IN BUREAUS OR INSTITUTIONS

- A. Professional Expenses**
Institutions and bureaus will continue their own policy regarding expenses for institutes, seminars, and workshops. However, **\$260 per priest** is to be contributed to the Sabbatical Fund and sent to the Chancery each year.
- B. Medical / Dental and Retirement Benefits**
Medical, dental, and retirement are paid by the parish institution, or bureau to which the priest is officially assigned. The benefits will be provided by the Archdiocesan group plan for priests.
- C. Living Maintenance**
Special arrangements will be made in the case of a priest assigned to work in a bureau or institution, but who lives in a parish rectory.

IV. COMPENSATION FOR RETIRED PRIESTS

The Archdiocese suggests that these matters be negotiated between the priest and the parish. However, we have included a schedule of suggested compensation for retired priests for your use. For those priests who are retired and receive compensation for weekend and other services, an additional 15% should be added to any earnings that are paid to the retired priest to offset their self-employment tax, which they are obligated to pay. These retired priests should also be paid mileage for their roundtrip travel to the parish that they are serving.

Suggested Stipend

\$155 per weekend - this presumes assistance on Saturday and Sunday.

\$ 32 per week day

The stipend amount of \$32 also applies to Reconciliation services.

Mileage Costs

\$.51 per mile

The mileage amount also applies to Reconciliation services.

Additional Pay for Self-Employment Tax Offset

An additional 15% (above the stipend) is to be paid to each priest by the parish or institution for partial reimbursement of their self-employment tax.

This amount also applies to Reconciliation services.

Parish Mass Intentions

\$7.00 per parish Mass intention. Note: Many retired priests prefer to use their own Mass intentions.

EXAMPLE OF COMPENSATION FOR RETIRED PRIESTS

	<i>Weekend</i>	<i>Weekday</i>
Stipend	\$ 155.00	\$ 32.00
Mileage (using 30 miles)	15.30	15.30
Self-Employment tax	23.25	4.80
Mass intention	7.00	7.00
TOTAL	\$ 200.55	\$59.10