

## 2023 Minimum Salary Information for Pastors

### PRESBYTERY OF EAST TENNESSEE COMMITTEE ON MINISTRY 2023 REQUIRED MINIMUM SALARY & BENEFITS SCHEDULE FOR MINISTERS OF THE WORD AND SACRAMENT

*The terms of call shall always meet or exceed any minimum requirement of the presbytery in effect when the call is made. The session shall review annually the minister's terms of call and shall propose for congregational action (Book of Order G-1.0501) such changes as the session deems appropriate, provided that they meet the presbytery's minimum requirements. The call shall include participation in the Benefits Plan of the Presbyterian Church (U.S.A.), including both pension and medical coverage, or any successor plan approved by the General Assembly. (Book of Order G-2.0804)*

	WITH MANSE OR HOUSING ALLOWANCE	
	2022	2023
<b>SALARY-minimum cash salary</b> **see note – salary	\$33,285	\$34,949
<b>MANSE/HOUSING ALLOWANCE</b> Manse allowance is calculated at 30% of salary **see note - Housing/Utility Allowance **see note - Deferred Home Equity Account	9,986	10,485
<b>TOTAL EFFECTIVE SALARY</b> (for calculating medical and pension dues)	43,271	45,434
<b>SOCIAL SECURITY/MEDICARE (SECA)</b> to be calculated on the combined total of Salary & Manse/Housing Allowance at 7.65%	3310	3476
<b>PENSION &amp; MEDICAL – 39% of effective salary</b> **see note-Pension & Medical	16,193	17,719
<b>ACCOUNTABLE AUTOMOBILE REIMBURSEMENT</b> Reimbursable on church business at IRS allowable rate **see note – Professional Expense Account		
<b>CONTINUING EDUCATION ALLOWANCE (vouchers)</b> Two weeks education leave is required annually, accumulative for three years **see note - Professional Expense Account	2,000	2,000
<b>FOUR WEEKS ANNUAL PAID VACATION</b> <b>MOVING EXPENSES</b> <b>ANNUAL REVIEW OF CALL</b> <b>FAMILY LEAVE</b> <b>SABBATICAL LEAVE</b> (discussion to commence after fourth year of service)		
<b>TOTAL PACKAGE AMOUNT</b> (not including accountable automobile reimbursement)	<b>\$64,774</b>	<b>\$68,629</b>

For occasional supply preaching: A recommended amount of \$150 per Sunday (additional \$100 for second service on the same day) and 2023 IRS allowable amount for travel expenses. For teaching or leading other events, the recommended amount is \$75 plus mileage (unless a virtual class or on the same day as preaching).

**EXPLANATIONS ON 2023 REQUIRED MINIMUM SALARY & BENEFITS SCHEDULE  
FOR MINISTERS OF THE WORD AND SACRAMENT**

**SALARY** - *The terms of call shall always meet or exceed any minimum requirement of the presbytery in effect when the call is made. The session shall review annually the minister's terms of call and shall propose for congregational action (Book of Order G-1.0501) such changes as the session deems appropriate, provided that they meet the presbytery's minimum requirements. The call shall include participation in the Benefits Plan of the Presbyterian Church (U.S.A.), including both pension and medical coverage, or any successor plan approved by the General Assembly. (Book of Order G-2.0804)*

**HOUSING & UTILITY ALLOWANCE** - The minimum combined housing/manse allowance and salary must total \$45,434. The \$10,485 housing allowance is a minimum unless a lesser amount can be justified as adequate, in which case the PET may grant an exception.

**PENSION & MEDICAL** - The Board of Pensions dues percentage is 39% with 29% for medical, 8.5% for pension, and 1% for death and disability, and .5% for temporary disability.

“Effective salary” for calculating the dues for the Board of Pensions is defined as cash salary, plus a manse or housing allowance. When a manse is provided, effective salary will include the fair rental value, but not less than 30% of such compensation. Other allowances may be included in effective salary, if mutually agreed upon by the member and employing organization.

**The Board of Pensions no longer uses a minimum effective salary level for calculating medical dues.** Rather, the Board of Pensions sets an annual median salary level [half of PC(USA) ministers earn more than the median, half earn less]. The PET's 2023 minimum effective salary of \$45,434 is roughly 70% of the Board of Pensions' 2023 median effective salary of \$64,800.

**Pension and Death & Disability dues are calculated on a minister's actual effective salary.**

*The effective salary on the required minimum salary schedule applies to all calls.*

**PROFESSIONAL EXPENSE ACCOUNT** – The PET requires that churches establish a Professional Expense Reimbursement Account for automobile, continuing education, and other reimbursable expenses for the pastor, and that all payments from this account be made by voucher or statement for the approved expenses. Monies should not be paid in monthly or quarterly installments without vouchers.

NOTE 1: Expenses paid without such a plan are not fully deductible for Federal Income Tax.

NOTE 2: IRS auto reimbursement rate as of July 1, 2022, is **62.5¢ per mile**. The IRS will announce the 2023 rate prior to January 1.

**DEFERRED HOME EQUITY ACCOUNT**- It is recommended that congregations providing a manse provide, as part of their pastor's compensation package, a Tax Deferred Home Equity Account of not less than \$500 annually, and that the amount of contribution to this account be reviewed annually. It is recommended that treasurers send the annual dollar amount to a local financial institution or the Board of Pensions' Retirement Savings Plan as authorized by the session, to be held in trust until such time in the future the minister decides to request withdrawal to be applied toward a down payment on the purchase of a house.