Diocese of Jefferson City

Priest Compensation Policy

Approved: Bishop W. Shawn McKnight

Effective: 01 July 2025

This policy becomes effective with the first paycheck after **1 July 2025,** allowing for a 3% COLA.

According to IRS regulations, priests are considered "self-employed" for social security and therefore pay self-employment taxes, but they are considered "employed" for income tax purposes. Bookkeepers: DO NOT WITHOLD OR PAY FICA (SOCIAL SECURITY & MEDICARE) TAXES ON PRIESTS SALARIES. Priests may, however, elect to withhold an amount to cover their income and self-employment tax liabilities partially or fully.

	Ordained After 7/1/2010	Ordained Prior to 7/1/2010	Ordained Prior to 7/1/1995
Canonical Base	**$15,000**	**$15,000**	**$15,000**
Parish Assignment			
Canonical Base plus:			
Active Ministry	$18,884	$20,078	$21,271
Mass Offerings	$3,600	$3,600	$3,600
Total:	**$37,484**	**$38,678**	**$39,871**
Institution-only Assignment			
Canonical Base plus:			
Active Ministry	$18,884	$20,078	$21,271
Non-parish adjustment	$2,400	$2,400	$2,400
Mass Offerings	$3,600	$3,600	$3,600
Total:	**$39,884**	**$41,078**	**$42,271**

Note: The Canonical base for priests 65 and older is increased by $1320 ($110/ month) to offset the increase in Medicare premiums. For priests 65 and older the "Total" for each category is thus also increased by $1320 ($110/ month).

1. The Bishop determines the compensation of priests ordained through the Pastoral Provision.

2. Regarding Mass Offerings: All offerings for Masses should be deposited into the Mass Offering account and periodically transferred as the Mass intentions are satisfied.

3. When a priest receives an offering on the occasion of normal parish ministry (e.g., a baptism), the offering is given to the parish unless the offering is specifically given for the priest.

4. Please see "Financial Guidelines" and "Substitute Clergy Reimbursement Guidelines" for information on reimbursable expenses, and for information regarding clergy and parish responsibilities and expectations.

5. **The base employer 403(b) contribution on behalf of priests with an assignment is $2,000 annually. In addition to the base, the employer will match employee contributions up to $2,000 annually, for a maximum employer contribution of $4,000 annually.** This 403(b) retirement amount represents deferred compensation contributed each pay period by the employer into a tax-sheltered annuity and is not a part of salary. Priests are encouraged to contribute an additional amount from their own wages which might also be tax deferred depending on their investment choices.

6. Priests assigned to a parish or institution also receive health insurance, life and disability insurance, a pension at retirement, and optional dental and vision insurance. Priests are required to cover their "employee" portion of these benefits through a payroll deduction or risk losing their insurance coverage.

7. For self-employment tax purposes, priests' housing is calculated at $500/month. This amount is not reported on the priest's IRS Form W-4, but it is needed for priests to calculate their self-employment taxes.

Substitute Clergy Reimbursement Guidelines

When a priest is substituting in a parish, the priest's compensation is as follows:

Sunday/Saturday Vigil Substitution: $150 for up to 4 Masses and Confessions; $50 for a single Mass
Daily Mass: $35
Confessions: $50 (for at least one hour)
Funerals and Weddings: $150
Baptisms: $35 (per liturgy not per person baptized)

Substituting priests are reimbursed for travel and meals associated with substitution work. Please see the Mileage Reimbursement policy for more details.

For baptisms, weddings, and funerals, the parish is responsible for compensating the substitute priest up to the above amounts if the parishioner receiving services does not. This only applies to substituting priests. If a priest substitutes at any of these liturgies for personal reasons (i.e. for a family member or friend), the parish is not obliged to provide any compensation.

Pro Mensa

Part of a priest's compensation package includes room and board. Board is defined as meals taken at the rectory or practical restaurant dining. Please note that reimbursements for meals not consumed on parish premises (practical restaurant dining) are considered wages by the IRS and must be run through payroll for tax purposes. For business related meals, please see the policy given below. In the Diocese of Jefferson City, priests may only be reimbursed up to a maximum of **$550** a month for all *pro mensa* expenses (i.e., groceries and practical restaurant dining). The amount spent on groceries by the parish is included in the maximum $550 monthly amount. Priests must use their own funds for other dining and life-style choices. Items that are not reimbursable include: medication, alcohol for personal consumption, tobacco, vitamins, or food for pets.

Other Reimbursements

Rectory Cleaning and Maintenance

- Parishes are obligated to provide clean and well-maintained rectories (see Policy Concerning Rectories). Pastors and parochial vicars may be reimbursed for these rectory supplies according to common standards. Personal toiletries and care items (soap, shaving cream, razors, deodorant, etc.) are not reimbursable.
- Laundry supplies are provided by the parish. Dry-cleaning expenses for personal clothing are the responsibility of the priest, while dry-cleaning liturgical vestments are the responsibility of the parish.

Cellular Phone Service

- As per the Policy Concerning Rectories (enacted 1 October 2019), priests may be reimbursed up to $100 per month for the use and operation of a cellular phone for business purposes.

Mileage

- Priests who use their personal vehicles for ministry purposes are reimbursed for mileage. Please see the Policy on Mileage Reimbursement enacted 13 February 2020, as amended. Presently, the IRS reimbursement rate is $0.70/ mile, which is subject to change.

Moving Expenses

- Priests are responsible for their own moving expenses. Priests will not be reimbursed by the parish for moving expenses.

Business Related Meals

- Business related meals are reimbursable so long as they are reasonable and are in keeping with the parish or institutional budget and IRS guidelines. For a business meal to be reimbursed, a receipt must be submitted with an explanation of the business purpose and a record of those who attended the meal.