

Working with Reliant as a Commissioned or Ordained Minister

Procedure Name:	Working with Reliant as a Commissioned or Ordained Minister
Scope:	All Staff
Revision Date:	January 26, 2024
Last Review Date:	January 26, 2024



Please review the process of claiming your status as a commissioned or ordained minister in relation to your work with Reliant.

You are not required to claim your work as a commissioned/ordained minister to your work with Reliant. When you submit your certificate, your tax status is immediately changed and cannot be reverted unless your job role changes where you are no longer performing ministerial services.

1. Educate yourself on the tax implications

1

Read the *ECFA Minister's Tax and Financial Guide*.

[2026 Church and Nonprofit Tax & Financial Guide for 2025 Tax Returns](#)

- Ministers are granted the ability to seek an exemption from Social Security if they meet IRS requirements.
- An exemption results in ceasing contributions to and eligibility for both Social Security (government retirement protection as well as other assistance programs) and Medicare (government medical insurance for people with disabilities and people over 65).
- By default, ministers remain in the Social Security system and are required to continue making payments directly to the IRS for their Social Security/Medicare coverage (see details below).

2

Consult a tax professional.

Reliant is unable to offer tax advice for your specific situation, so we strongly encourage you to talk with a professional who is up-to-date on current practices and understands ministerial tax implications. You are eligible for taxable reimbursement of some [tax preparation and advisory fees](#).

Tax options governed by the IRS and Social Security related to Parsonage (Minister's Housing Allowance) and Social Security Exemption are available to licensed/ordained/commissioned ministers. Know your reporting responsibility and the consequences of choosing these options.

3

Understand your IRS employment status related to your commissioned/ordained status.

The IRS classifies commissioned/ordained ministers into two categories:

1. Related to **Federal Income Tax**, you are **employed** by Reliant. Reliant withholds and pays Federal Income Tax on your behalf and sends you a W-2.
2. Related to **Social Security and Medicare**, you are **self-employed**. Reliant stops withholding FICA taxes and paying the employer portion on your behalf. FICA tax includes portions for Social Security and Medicare, and the tax rate is 15.3%, which you are still obligated to pay unless you receive an exemption from the government. If you participate in the Social Security system, you file SECA forms with your tax return.

Decide if you want to stay in the Social Security System.

Stay in the Social Security System



Remember, you must begin to pay your own Social Security/Medicare taxes-both the employee and the employer portion- (now called SECA since you are considered self-employed) from the point in time that Reliant received your certificate and begins recognizing you as a minister. You also become eligible to receive a FICA bonus. Please review [Paying SECA Taxes](#) (excerpt in drop-down below)

We also recommend reviewing Chapter 7 in *Zondervan Minister's Tax and Financial Guide* and research options for paying SECA to the IRS for additional information.

Paying Seca Taxes

Procedure Name:	Paying SECA Taxes
Scope:	All Staff
Revision Date:	Sept 2, 2025



Reliant's role as the employer of the minister per the IRS guidelines:

These requirements are both fulfilled by Reliant as the employer that is paying the Minister's wages.

- Requirements #1: Forms 941 filed with the IRS quarterly by the employer (the taxes withheld and paid for the minister and reported on the 941 are their FEDERAL income taxes)
- Requirement #2: The W-2 is provided to the minister and the IRS. (No Social Security/Medicare wages or taxes are withheld/reported on minister earnings on the W2)

Please read [Working with Reliant as a Commissioned or Ordained Minister](#) before reviewing the following options below.



Minister's Tax Guide

You can also review [this tax guide webpage](#) highlighting information provided by GuideStone.

If you inform us that you are ordained/commissioned and you do not have an approved exemption from the IRS then you are required to pay the 15.3% SECA (previously called FICA prior to being a minister) including both the 7.65% employee and 7.65% employer portions of social security and medicare taxes. As a minister, you are eligible to receive a FICA bonus that as an employee you can use to pay your SECA tax obligation for the social security and medicare tax that was previously paid by Reliant (the 7.65% employer portion). This Fica bonus increases your monthly salary and is included in your monthly paycheck to be used towards paying the employer portion of SECA taxes on your own. Even though you are choosing to stay in the Social Security system, the employEE portion is not deducted from your paycheck anymore once you become a minister, but [per the IRS](#), you are still responsible for paying both the employEE portion (7.65%) as well as the employER portion (7.65%). Remember, you must begin to pay your total Social Security /Medicare taxes- both the employee and employer portion- (now called SECA since you are considered self-employed) from the point in time that Reliant receives your certificate and begins recognizing you as a minister. Please follow up with your tax advisor for questions related to filing and paying taxes.

Although Reliant is not able to give tax advice, we are able to assist if you need help with these steps outlined below on how to handle your SECA taxes. **You can either ask Reliant to increase your Federal Tax withholding (to include excess taxes withheld that can later be used towards your 15.3% SECA tax liability) OR you can pay the IRS your SECA taxes quarterly (you file and pay the taxes on your own).**

Option 1: Reliant Payroll Federal Tax Withholding

The employee can utilize their Federal W4 form to request that Reliant (the employer) withhold additional federal income tax from the employee's Reliant paychecks. When the employee file's their taxes, any tax withholding that they requested that exceeds their federal taxes due can be used towards the amount the employee owes for their minister's social security tax (SECA) liability. As a general rule of thumb, the employee will want to ensure their federal withholding exceeds the amount they will owe in federal taxes by the 15.3% SECA amount, to ensure they will have enough excess withholding to cover that SECA liability.

Example: if the employee normally owes about \$6,000 in federal taxes a year (\$500 per month) and their combined wages (including parsonage) is about \$7,000 a month, they'll need to ensure their MONTHLY federal withholding is \$500 + (\$7,000 X .153 = \$1071) for a monthly total federal tax withholding of \$1,571. They can ensure this by add the extra withholding amount per the steps listed below.

Please also utilize the tip box on the [Tax Info & Forms \(Link to Federal W4\)](#) when submitting your W4.

To withhold extra Federal taxes please complete the W-4 form with lines 1 through 5 per your "normal" settings. On line 4(c) add the extra taxes you want withheld in addition to your normal Federal taxes.

The amount on line 4(c) is "in excess of the normal taxes". For example, if someone's "normal" Federal settings are married filing jointly (both spouses work - Step 2. multiple jobs box is checked) and they typically see \$400 withheld for Federal taxes, if they put "\$500" on line 4(c) that person would see a total of \$400 + \$500 = \$900 withheld from their paycheck as Federal taxes.

	this the amount of any other credits. Enter the total here	3	\$
Step 4 (optional):	(a) Other income (not from jobs). If you want tax withheld for other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, dividends, and retirement income	4(a)	\$
Other Adjustments	(b) Deductions. If you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here	4(b)	\$
	(c) Extra withholding. Enter any additional tax you want withheld each pay period	4(c)	\$

To calculate what amount to use for line on your W-4 form, you can....

1. Estimate the amount for 4(c) by doubling your FICA bonus (so that you can pay both the employER portion (given to you as the FICA Bonus) and employEE portion). Circumstances vary, but this method tends to be accurate although potentially slightly higher than needed, which then yields a tax refund for the minister when they file their taxes.
2. Seek counsel from a professional tax adviser on how to fill out your W4 form including box 4(c). See [Professional Fees](#) for details on reimbursing these costs.
3. CAUTION: If you elect to claim child credits on your W4 form, your FEDERAL tax withholding will likely be very minimal. If your desiree is to use this method for withholding excess FEDERAL taxes to offset your SECA taxes due, you need to make sure your W4 form settings result in Reliant withholding excess FEDERAL income tax, (which in most cases electing to claim the child credit would hinder that goal.)

Option 2: Self-Paid Quarterly Estimated Taxes

The minister pays estimated taxes (tax estimates paid can include federal and SECA or just what they owe for SECA) directly to the IRS.

Form 1040-ES is filed by the minister on 4/15, 6/15, 9/15, and 1/15.

To access the IRS payment site see <https://www.irs.gov/payments>.

File only if you are making a payment of estimated tax by check or money order. Mail this voucher with your check or money order payable to "United States Treasury." Write your social security number and "2025 Form 1040-ES" on your check or money order. Do not send cash. Enclose, but do not staple or attach, your payment with this voucher.

Calendar year—Due April 15, 2025

Amount of estimated tax you are paying by check or money order.

Pay online at www.irs.gov/etpay Simple. Fast. Secure.	Print or type	Your first name and middle initial	Your last name	Your social security number	
		If joint payment, complete for spouse			
		Spouse's first name and middle initial	Spouse's last name	Spouse's social security number	
		Address (number, street, and apt. no.)			
		City, town, or post office. If you have a foreign address, also complete spaces below.		State	ZIP code
		Foreign country name	Foreign province/county	Foreign postal code	

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see instructions.

Form 1040-ES (2025)

Opt Out of the Social Security System

File Form 4361 with the IRS. Reliant may request an electronic copy of the Minister's IRS-approved Form 4361 for our records as a safeguard for the employee and Reliant as an employer if ever needed by the IRS regarding the minister's tax status.

A minister is fully responsible for paying social security/medicare taxes (SECA) until the IRS sends a certificate verifying that the exemption request has been granted. See [Claiming Exemption from Social Security Taxes](#) for more information.



Reliant is not able to provide counsel in this tax decision and cannot assist in filing forms with the IRS. It is a personal decision that each minister must decide based on their own convictions.

5

Understand and plan your Parsonage Allowance

Parsonage allowance, also called housing allowance, is one of several special tax benefits applied to qualified ministers. Read the following page to learn about parsonage and begin thinking about the amount you may wish to designate to parsonage: [Parsonage](#).

2. Notify Reliant of Your Commissioning/Ordination and Your Tax Decisions

By submitting your certificate to Reliant, you are choosing to apply your new tax status to your work with Reliant. Once you submit your certificate, we must immediately change your tax status to no longer withhold FICA taxes. Once this change is made, we can not revert the tax settings unless the Minister has a job role change in which they are no longer performing ministerial services.

Helpful page regarding certificate requirements - [Commissioned, Licensed and/or Ordained Minister Certificate Requirements](#)

If you would like to claim your work with Reliant as that of a Commissioned/Ordained Minister, proceed to the next section. Otherwise, no further action is necessary.

1

Email a copy of your certificate and let us know your tax decisions to payroll@reliant.org. A Reliant director will review the certificate. Once approved, you will be notified, and your tax settings will be changed.

Stay in the Social Security System

If you inform us that you are staying in the Social Security system, you will receive a 7.65% FICA bonus to offset your tax obligation for Social Security that was previously paid by Reliant. This bonus increases your monthly salary and is included in your monthly paycheck.



Remember, you must begin to pay your own Social Security/Medicare tax (now called SECA since you are considered self-employed) from the point in time that you are paid Reliant wages as a minister.

See [Paying SECA Taxes](#) for more information. Review Chapter 7 in *Zondervan Minister's Tax and Financial Guide* and research options for paying SECA to the IRS.

[2026 Church and Nonprofit Tax & Financial Guide for 2025 Tax Returns](#)

Opt Out of the Social Security System

If you have an exemption from Social Security, email payroll@reliant.org stating, "I am exempt from the Social Security System because I am conscientiously opposed to receiving public insurance as a minister."

This is the official statement employers are required to collect as an assurance that the minister is properly informing their employer, Reliant, of their tax decisions as a minister.

In some cases, Reliant may also request an electronic copy of the Minister's IRS-approved Form 4361 for our records. The collection of this form is a safeguard for the employee and Reliant as an employer, to ensure Reliant has an electronic copy saved to our records if ever needed as a part of interactions with the IRS regarding their minister's tax status.

2

Once you receive our email that your Certificate and tax decision has been processed, please submit a new Support Goal in TOOLBOX <https://toolbox.reliant.org/account/sign-in?return=%2Fsupport-goals>.

For International staff, please ignore this step; it is addressed by the International Team in your SGW (Support Goal Worksheet).

Stay in the Social Security System

You will see your minister status reflected on your support goal. Make sure to select "no" to having opted out of Social Security.

Opt Out of the Social Security System

You will see your minister status reflected on your support goal. Make sure to select "yes" to having opted out of Social Security.

3

Complete a [Parsonage Request form](#) if you wish to receive Minister's Housing Allowance (Parsonage).

Once your parsonage amount is approved, it becomes effective on the next applicable pay period. To change your parsonage amount in the future, complete a new Parsonage Request form and share it with payroll@reliant.org for approval. Dave Meldrum-Green, our director of Organizational Affairs & treasurer, reviews and approves all parsonage requests.

Reference Chapter 4 in *Zondervan Minister's Tax and Financial Guide* for details on Ministerial Housing Allowance.

[2026 Church and Nonprofit Tax & Financial Guide for 2025 Tax Returns](#)

Contact your [Program Team Liaison](#) to submit a new [job description](#) reflecting your responsibilities as a commissioned or ordained minister.

Additional Resources

- [Claiming Exemption from Social Security Taxes](#)
- [Paying SECA Taxes](#)
- [Parsonage](#)
- [2026 Church and Nonprofit Tax & Financial Guide for 2025 Tax Returns](#)
- [Ministers' Tax Guide](#) by Guidestone
- [Worth's Income Tax Guide for Ministers](#). You can contact them at 574-269-2121. They are located in Warsaw, Indiana.
- [IRS Publication 517](#), "Social Security and Other Information for Members of the Clergy and Religious Workers"
- [Commissioned, Licensed and/or Ordained Minister Certificate Requirements](#)

Questions regarding commissioning, ordination, parsonage, FICA Bonuses?

Email	payroll@reliant.org
Department	Human Resources