



INFORMATION FOR CHURCH TREASURERS – 2025

- The 2025 IRS Mileage Reimbursement for vouched professional miles **will increase to .70 per mile on 1/1/2025**. Confirming that the church has an approved Accountable Reimbursement Plan that addresses professional expense reimbursements is important. Your staff members could face adverse tax consequences if you do not have an approved plan. A sample Accountable Reimbursement Plan is available; please contact Eric at the presbytery office.
- Housing Allowances - if applicable and working with the Pastor, the Session should designate a housing allowance for 2025 for pastors who own or rent their homes. A housing allowance must be designated in advance and is never effective retroactively.
- The income cap subject to Social Security tax **is increased to \$176,100 for 2025**.
- As of 1/1/2025, the federally required contribution cap on “Flexible Spending Accounts” (FSA) **is increased to \$3,300**. These pre-tax accounts can be used to pay for qualified medical expenses. The 2025 FSA may include an option to allow employees to carry over up to \$660 of their prior-year FSA funding.
- 403b elective deferral contributions (employee) to defined plans **increased to \$23,500 for 2025**. If you're 50 to 59 or 64 and older, you're eligible for an additional \$7,500 catch-up contribution, raising your employee **contribution limit to \$31,000**. The annual limit on catch-up contributions for individuals aged 60, 61, 62, or 63 is \$11,250 to the **contribution limit of \$34,750**.
- **1/31/2025** is the due date for issuing form 1099-(NEC, MISC, etc.) to self-employed contractors and form 1096 with the IRS to report non-employee compensation over \$600 annually.
- The IRS [issued a release](#) reminding IRA owners aged 73 and older that they can write off up to \$108,000 for a direct donation to a qualified charity in 2025, known as qualified charitable donations (QCDs). “Generally, IRA distributions are taxable, but QCDs remain tax-free if **sent directly** to a qualified charity by the [IRA] trustee. To make a QCD for 2025, IRA owners should contact their IRA trustee soon to ensure the transaction is completed by year-end,” the IRS release said. Married couples with separate IRAs can donate up to \$210,000 and receive the same full deduction.
- The Book of Order requires that clergy terms of call include participation in the benefits plan of the Presbyterian Church (U.S.A.) (G-2.0804), leaving it to the Board of Pensions to specify the precise terms of eligibility and enrollment. The Book of Order also entrusts to presbyteries the responsibility of establishing minimum compensation standards for pastoral calls and those serving in temporary pastoral relationships (G-3.0303c). The Presbytery Commission on Ministry develops and publishes these standards in the annual minimum compensation policy document. The new Board of Pension offerings for pastors can be found on the BOP website [here](#). The Presbytery COM policy covers aspects of coverage requirements and guidelines that lie beyond the scope of the Board of Pensions’ mandate and can be found [here](#).
- Church donors need a bank record or a written statement from the church to confirm the amount and date of any donation of money. Donors must get a [written acknowledgment](#) from the church for all gifts valued at \$250 or more. It must include, among other things, a description of the items contributed. Special rules apply to [cars](#), and other types of property donations.
- A reminder that the State of Indiana changed how churches file annual reports and access sales tax exemption certificates. Beginning in 2023, the legislation revised the filing frequency for Annual Reports from annually to every five years. After 2022, the due date for the new Form NP-20R, Nonprofit Organization’s Report, is based on the last two digits of the organization’s federal employer identification number (FEIN). More information and due dates can be found [here](#).
- The church member per capita is our shared gift, providing primary support to the operating ministry of the Presbytery, Synod, and General Assembly. As approved by the Assembly in November, the presbytery per capita is \$30.40 for 2025. The Synod rate is \$3.81, and the General Assembly rate increases to \$10.84. This results in a total per-member **per capita rate of \$45.05 for 2025**.

Thank you for your work and ministry. If you have any questions – we’re here to help!

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