



IFRM - Improved Financial Relationship Model

Abatement Criteria for Central Ministry Support Tithe, Net Rental Income Tax and Catholic Appeal Assessment

Annual support to Central Ministries has the following components: The Catholic Appeal assessment, Net Rental Income Tax and the Central Ministry Tithe. These components represent a parish's fair share of support based on their individual base revenue amount and net rental income amount. There may be situations where a parish may need to apply for partial or full relief from the financial obligation of the tithe, net rental income tax and/or Catholic Appeal assessment. In these circumstances the parish will have to demonstrate financial hardship.

With the Central Ministry Tithe, each parish will be expected to contribute 10% of their base revenue (or 5.7% if there is a parish school) in order to fulfill this tithe obligation. While the tithe is not intended to cause undue financial hardship to any one parish, assistance is available to help parishes assess their ability to pay the monthly tithe amount and in developing operational budgets to incorporate the tithe expense.

With the Net Rental Income Tax, each parish will be expected to contribute 18% of their net rental income (or 13.7% if there is a parish school) in order to fulfill this net rental income tax obligation. While the net rental income tax is not intended to cause undue financial hardship to any one parish, assistance is available to help parishes assess their ability to pay the monthly net rental income tax amount and in developing operational budgets to incorporate this expense.

The Catholic Appeal Assessment (8% of parish base revenue) represents a portion of parish support for Central Ministries.

Beginning in FY 2019, in order to **qualify** for an abatement (**Central Ministry Tithe, Catholic Appeal Assessment and Net Rental Income Tax**) or a Catholic Appeal rebate, parishes will need to meet or exceed their In-Pew Goal by implementing the In-Pew Campaign best practices as outlined in the Catholic Appeal procedural guide and engaging an Appeal Coordinator volunteer.

An annual abatement process will review the parish's ability to pay the (**Central Ministry Tithe, Catholic Appeal Assessment, Net Rental Income Tax**) based on the noted financial hardship and/or extraordinary circumstances that has led the parish to apply for abatement.

Central Ministry Tithe Abatement/Net Rental Income Tax:

To apply for abatement of the Central Ministry tithe and Net Rental Income Tax, the parish will need to complete an abatement request form and provide the following information with the application by the due date. The parishes will be notified in writing no later than the end of June.

1. Reason or basis for applying for abatement
2. Income statement and balance sheet for the current fiscal year to date and the prior fiscal year
3. Budget for the upcoming fiscal year (*required with application*)

Catholic Appeal Assessment Abatement:

A parish is welcome to apply in November near the completion of the Appeal campaign. Appeal abatement forms will be emailed to you in the fall. The abatement review committee will make every effort to assist the parish in evaluating its abatement request. The parish will be notified in writing by January concerning its abatement request and the amount granted.



IFRM - Improved Financial Relationship Model

Mid-year Abatement:

An abatement request may be considered on dates other than noted above when a parish has experienced a significant change in its financial condition. These will be reviewed on an individual basis.

To continue our effort of transparency each year, a report will be issued noting by parish the tithe amount, net rental income tax and Catholic Appeal assessment, and any abatement granted as well as any balance due.

As you plan beyond the upcoming fiscal year, we ask that you budget for your full tithe obligation, net rental income tax and Appeal assessment, as **all abatement requests are not guaranteed and are subject to available funding.**

Abatement Committee Members:

Fr. Scott Euvrard, Pastor
Fr. Brian Flynn, Pastor
Fr. Bob Deehan, Pastor
Fr. Walter Carreiro, Pastor
John E. Straub, Chancellor
Denise McKinnon-Biernat, Director of Parish Services