

# Accounting for Stole Fees, Honoraria, Mass Stipends, & Mass Fees

## Stole Fees

A “Stole Fee” refers to money given to a cleric for the performance of sacramental functions ie: baptisms, weddings, funerals.

The IRS does not classify these payments as tax-free “gifts” because the rendering of a service motivated the payment. It does not matter that the cleric requires no payment for the service, nor does it matter that some people give nothing under similar circumstances. Stole Fees are considered earnings subject to Federal Income Tax and Social Security Tax.

## Honoraria

An “Honorarium” refers to money given to a cleric for services related to his ministry ie: speaking engagements.

The IRS does not classify these payments as tax-free “gifts” because the rendering of a service motivated the payment. It does not matter that the cleric requires no payment for the service, nor does it matter that some people give nothing under similar circumstances. Honoraria are considered earnings subject to Federal Income Tax and Social Security Tax.

## Mass Stipends

A “Mass Stipend” refers to money offered for a Mass to be prayed for a certain intention. This sacerdotal practice is not dependent upon a payment, a priest will offer the Mass as a normal part of his duties without expectation of payment. Nevertheless, when a payment is received by a priest for offering a Mass, it is the result of a performance of service. Therefore, Mass Stipends are considered earnings subject to Federal Income Tax and Social Security Tax.

A priest may receive only one Mass Stipend per day. If he offers multiple Masses, he must forward the stipends from the other Masses to the Diocesan Seminary Fund.

Priests do not receive a stipend for the Pro Populo Mass said for the parishioners of the parish.

## Mass Fees

**A “Mass Fee” refers to the amount paid to a priest by a parish for celebrating Mass, hearing confessions, or other services rendered. A common example of this type of service occurs when a priest substitutes for another during an absence. Mass Fees are considered earnings subject to Federal Income Tax and Social Security Tax.****Mass Stipend and**

## Stole Fee Accounting

OPTION	ACCOUNTING
1. Mass Stipends and Stole Fees are given directly to the priest who is responsible for keeping track of Mass intentions and of reporting the income.	Nothing is recorded in the parish books
2. The parish deposits Mass Stipends or Stole Fees into a bank account of the parish. The amounts are considered funds of the priest.	When the funds are received, debit the bank account (1010) and credit a liability account under Amounts Held for Others (for example 2620). This will record the amount as a liability of the parish (funds held for the Priest). When the funds are given to the priests, a check would be prepared and the entry would be to debit the liability account (2620) and credit the checking account (1010). Since the funds are never considered parish money, there would not be anything included on W2's. An accounting of account 2620 could be printed and given to the priest to show what income he received during the year for him to report on his taxes.

### OTHER INFORMATION TO BE SHARED WITH PARISHES:

A priest may receive only one Mass stipend per day. If he offers multiple Masses, he must forward the stipends from the other Masses to the Diocesan Seminary Fund. This holds true for All Souls Mass. A stipend may be kept for each Mass that is said. If one Mass is said collectively for all intentions, then only one stipend is kept and the other stipends received should be forwarded to the Diocesan Seminary Fund.

Priests do not receive a stipend for the pro populo Mass said for the parishioners of the parish. A priest can fulfill the pro populo Mass and on the same day retain a Mass offering for a binated Mass.

It is important to meet the intention of the donor. If someone gives \$25 for a Mass, the entire \$25 should be given to the priest who says the Mass.

Every priest is restricted by Canon Law to accept no greater number of Mass offerings than he can discharge within one year.