

**PROTOCOLS
FOR MASS STIPENDS AND MASS INTENTIONS, MASS FEES, AND STOLE FEES
IN
THE DIOCESE OF RALEIGH**

DRAFT: May 5, 2011

In July 2005, Bishop Gossman promulgated a Diocesan protocol on Mass Stipends and Mass Intentions, Mass Fees, and Stole Fees. Those protocols remain in place (attached). This memo serves to define these terms and provide further clarification on these practices in the Diocese of Raleigh. Upon review by the Council of Priests and approval by the Bishop, these will be considered an addendum to the existing policy.

MASS STIPEND

Mass stipends or offerings refer to the amount offered by a parishioner for a Mass to be celebrated for the repose of the soul of a departed loved one, or other intention of the donor. This sacerdotal practice is not dependent upon a payment. A priest will celebrate a Mass upon request without expectation of a payment. However, when a payment is received by a priest for celebrating a Mass, the Internal Revenue Service sees it as the performance of a service, and therefore is subject to taxation.

Therefore, a payment to a priest for a Mass Stipend received for a Mass Intention is income, subject to Federal income tax and Social Security tax. The IRS Guidelines for Ministers includes in its list of items to include in income "...fees paid directly from parishioners for ... Masses."

All Souls Day and Other Collective Masses

In the Diocese of Raleigh, there may be "collective" Masses for All Souls Day. This means that priests may retain multiple offerings or Stipends for multiple Mass Intentions celebrated for All Souls Day and throughout the month of November. Any offerings or Stipends received by the priests for Mass Intentions for All Souls Day (and those designated by the competent authority as "collective" Masses) are to be treated as taxable income.

Mother's Day and Father's Day

It is the practice of some priests and some parishes to also offer the faithful the opportunity, through special envelopes for Mother's Day and/or Father's Day, to have Masses offered collectively for these intentions. It is acceptable for one Mass to be celebrated for the intention of several donors, with the following provisions:

- a) The faithful must knowingly and voluntarily agree to have their intentions combined in a single celebration;
- b) The date, time, and place of the celebration is to be publicly announced;
- c) Such celebrations may occur, at most, only twice each week in any church;
- d) The celebrant may retain for himself only what amounts to a Mass offering which is typical; the remainder must be forwarded to the Ordinary as determined by Can. 951§1 that reads: “A priest who celebrates several Masses on the same day can apply each to the intention for which the offering was given, but subject to the rule that, except on Christmas, he is to keep the offering given for one Mass and transfer the others to the purpose prescribed by the Ordinary...”

The policy of the Diocese of Raleigh, determined by the Diocesan Bishop as Ordinary, continues to be that these extra offerings, mentioned above in item “d”, should be designated to assist the poor. When dealing with this type of Mass intention, a priest may keep only the offering which is typical for one Mass intention. The offerings that are kept by a priest are to be reported as taxable income.

MASS FEES

Mass Fees are the amounts paid to a priest by a parish for celebrating Mass at a parish to which he is not assigned. Mass Fees represent earnings subject to Federal income tax and Social Security Tax. Parishes which pay an individual priest in excess of \$600 per year for Mass Fees should issue that priest a form 1099, listing the total amount paid during the calendar year for Mass Fees.

STOLE FEES

Stole Fees represent amounts given to a priest as a free will offering for the performance of a sacerdotal function or for other services performed in his ministry. The IRS does not classify these payments as tax free gifts, because the payment was motivated, among other things, by the performance of a service in the eyes of the IRS. Examples would be payments for officiating at the celebration of the Sacrament of Marriage or celebrating the Sacrament of Baptism. Some priests choose to give these payments to the parish for its general income. In those cases, these funds would not be taxable. However, if a priest chooses to keep these funds himself, they are classified as income and are reportable to the IRS as income.

REPORTING OF INCOME FROM MASS STIPENDS, MASS FEES, AND STOLE FEES

Payments to priests for Mass Stipends, Mass Fees, and Stole Fees must be reported on a 1099 Form, so that taxes may be paid on that income. The 1099 Form for this income should be issued by the parish which paid the priest that income. Any questions regarding the 1099 Form should be addressed to Mr. Michael D’Ercole, Director of Finance, at 919-821-9707 or at Michael.Dercole@raldioc.org.