

‘Freethinking’ Atheists Now Want to Do Away With This Important IRS Deduction for Pastors

Effectively, a group of “freethinking” atheists wants the IRS to begin taxing churches that don’t provide a parsonage to their pastors.

In April, the Wisconsin-based Freedom From Religion Foundation launched a lawsuit against the federal government, challenging the constitutionality of the so-called “clergy housing allowance,” which makes such payments tax deductible to pastors who must find a home of their own while serving a church. The group is suing because its leaders, Annie Laurie Gaylor and Dan Barker—who are married—cannot claim the same tax exemption as a non-religious nonprofit.

In a statement on its website, FFRF writes:

FFRF is asking the court to rule the provision unconstitutional because it provides preferential and discriminatory tax benefits to ministers of the gospel. The section “directly benefits ministers and churches, most significantly by lowering a minister’s tax burden, while discriminating against the individual plaintiffs, who as the leaders of a nonreligious organization opposed to governmental endorsements of religion are denied the same benefit.” Clergy are permitted to use the housing allowance not just for rent or mortgage, but for home improvements, including maintenance, home improvements and repairs, dishwashers, cable TV and phone fees, paint, towels, bedding, home décor, even personal computers and bank fees. They may be exempt from taxable income up to the fair market

rental value of their home, particularly helping well-heeled pastors.

The overwhelming majority of church pastors aren't "well-heeled." Seeing this attack on the church for what it is, however, a small group of clergy is fighting back, filing a motion Tuesday to act as "intervenors" in the case, which currently identifies Secretary of the Treasury Jack Lew and IRS Commissioner John Koskinen as defendants.

The specific clergy who have taken on the case, saying they represent the interests of "a variety of denominations," include:

- Bishop Edward Peecher of Chicago Embassy Church,
- Fr. Patrick Malone of Holy Cross Anglican Church, and
- The diocese of Chicago and Mid-America of the Russian Orthodox Church Outside of Russia.

Their motion, in part, states:

"The parsonage allowance, 26 U.S.C. § 107(2), facilitates their ministry to their congregations and larger communities. It allows the ministers to live near the communities they serve. It allows them to spend the modest tithes from their congregations on the vital ministries and programs that they sponsor. Intervenors will suffer significant financial harm and consequent harm to their ability to carry out their religious missions and engage in core First Amendment activities should plaintiffs succeed in this lawsuit."

The clergy are being represented by attorneys Hannah C. Smith, Luke W. Goodrich and Daniel D. Benson of The Becket Fund for Religious Liberty based in Washington, D.C. {eo}