

Housing Expenses Checklist

Home Expenses:

- Mortgage or rent payments in full, encompassing principal, interest, escrow, and fees.
- Home equity loans or lines of credit, to the extent used for housing purposes.
- Appraisals, closing costs, title insurance, points paid on mortgage or refinance.
- Homeowners or renters' insurance, including personal umbrella insurance.
- Real estate or property taxes related to housing.
- Homeowners or condo association fees.
- Home assessments or related fees.

Maintenance:

- Cleaning supplies such as brooms, mops, vacuum cleaners, Swiffer's, steam cleaners, and spot cleaners.
- Various cleaning agents including floor cleaners, surface cleaners, and window cleaners.
- Dish and dishwasher detergent, sponges, and scrubbers.
- Laundry essentials like supplies, hampers, baskets, detergent, and dryer sheets.
- Landscaping and flower gardening expenses which include plants, seeds, and tools.
- Professional lawn care, landscaping, gutter cleaning, and winter snow removal services.

Repairs:

- Tools, miscellaneous hardware, and supplies.
- Batteries and light bulbs.
- Interior and exterior painting, along with painting supplies.
- Replacement costs for flooring, drywall, windows, screens, siding, and roof.

Furnishings & Appliances:

- Furniture, artwork, carpets, and rugs
- Decorative items for walls and shelves.
- Electronics such as TVs, entertainment media players, computers, printers, and related supplies.
- Appliances which include refrigerator, stove, microwave, slow cooker, dishwasher, washer/dryer, portable AC, and heaters.
- Kitchenware, pots, pans, baking sheets, and cooking implements.

- Dishes, glassware, table settings, and silverware.
- Window coverings, curtains, and wall coverings.
- Linens for dining room, bathroom, and bedroom including towels, sheets, blankets, and comforters.

Utilities:

- Electricity, natural gas, heating oil, propane, kerosene, water, sewer, trash, pest control, and firewood costs, including delivery or hauling charges.
- Subscription services such as cable or satellite TV, streaming services, and internet.
- Landline phone bills and costs associated with purchasing or leasing landline telephone equipment.

Items NOT allowed for Housing Allowance

- Groceries
- Paper products
- Personal Toiletries
- Personal Clothing
- Maid Services
- Vegetable Seeds for a garden
- Cell Phone Service

Calculating the Housing Exclusion: The housing exclusion amount, which is excluded from federal income tax but not from federal self-employment income, is determined by the smallest of the following three amounts:

1. The amount properly designated in writing as the housing exclusion before payments to clergy/rostered workers commence.
2. The amount actually spent to provide housing during the calendar year.
3. The Fair Rental Value (FRV) of the home, including furnishings, utilities, etc.

Please contact Pam Palmer, Director of Tax and Compliance, LCMS at pam.palmer@lcms.org with any questions.