

Priest Pension Accounting

Every year, the parish will receive two bills from the Archdiocese (sent in the same envelope) for the Priest Pension. One is the parish portion of the bill (green) and the second is the priest portion of the bill (gold).

The invoices should be booked to different accounts in your parishes accounting system:

- Account 4060 for Parish Portion
- Account 2091 for Priest Portion

The parish should have a current liability account for *Priest Pension Withholdings*. A sub account under 2090 Other Current Liabilities may be created for this account.

For Example: St. Adelina's Pastor Fr Mark Robinson was ordained in 1997. Based on his Priest Compensation Workbook in 2025, the pension bill will be \$3,441. St. Adelina has 24 Payrolls in a year. St. Adelina only has one priest.

	Account #	Account Name	Amount Dr	Amount Cr
Entry for Parish Portion of the bill (Once per year)				
Dr.	4060	Employer Contribution to Pension Plan	\$3,441	
Cr.	1010	General Checking		\$3,441

	Account #	Account Name	Amount Dr	Amount Cr
Entry for Priest Portion of the bill (Once per year)				
Dr.	2091	Priest Pension Withholding	\$3,441	
Cr.	1010	General Checking		\$3,441

The expense account is 4011 since the amount is a part of the Priest's salary. The credit is where the funds are supposed to go. In our example, Fr Mark earned \$143.38 each pay period, but the amount was withheld to pay his portion of the Priest Pension.

\$3,441 / 24 pay periods = \$143.38 per pay period (rounded)

	Account #	Account Name	Amount Dr	Amount Cr
Entry for each payroll for withholdings on priest pension (Per pay period)				
Dr.	4011	Salaries - Priests	\$143.38	
Cr.	2091	Priest Pension Withholding		\$143.38