**Church-owned vehicles**

Many churches are acquiring an automobile for their pastors' church-related travel. Here's one reason why. If a church owns or leases a car and the board adopts a resolution restricting use of the car to church-related activities, the pastor need report no income or deductions related to it. And better yet, there are no accountings, reimbursements, allowances, or record-keeping requirements, a relief for most pastors.

The following conditions must be satisfied, however: (1) The vehicle is owned or leased by the church and is provided for use in connection with church business; (2) when the vehicle is not being used for church business, it is kept on the church's premises (unless it is temporarily located elsewhere, such as a repair shop); (3) no employee using the vehicle lives on the church's premises; (4) under a written policy statement adopted by the church board, no employee of the church can use the vehicle for personal purposes, except for "de minimis" (minimal) personal use (such as a stop for lunch between two business trips); (5) the church reasonably believes no church employee uses the vehicle for personal purposes; and (6) the church can prove to the IRS that the preceding five conditions have been met (Reg. 1.274-6T(a)(2)).

Commuting is always considered to be personal use of a car. Thus this simplified setup wouldn't be available if a church allowed its minister to commute to work in a church-owned vehicle. A pastor always has the option of keeping a log of personal-use miles and reimbursing the church at the standard 24 cents per-mile rate. The record keeping may well be worth the convenience of using the car for the commute to church.