



## Background

The Bishop sets the Cathedraticum, otherwise known as the parish assessment, with advisement from the Diocesan College of Consultors and the Diocesan Finance Council in accordance with Canon Law which states:

After the diocesan bishop has heard the finance council and the presbyteral council, he has the right to impose a moderate tax for the needs of the diocese upon public juridic persons subject to his governance...

Canon 1263

Funds are used for the administration and the ministries of the Diocese of Winona-Rochester, which include the administrative offices of the Bishop, Vicar-General, Finance, Human Resources and other general diocesan programs.

## Parish Assessment

The parish assessment is based on assessable income which includes all contributions and church income excluding only those items noted under the non-assessable income below.

Assessable income includes the following:

- All church support
- All investment income
- All bequests and memorials
- All gambling and fund raising revenue
- All other income except for exclusions listed below

Assessable income is represented by account numbers 4000-00-00 through 4299-00-00.

Non-assessable income includes the following:

- Loan distributions
- Insurance settlements
- Sale of purchased property or equipment
- Refunds
- Contributions to approved major building projects
- Mass stipends
- Contributions to Seeds of Faith
- Faith formation tuition
- Reimbursements of expenses shared with clustered parishes
- Local collections for charity/disaster relief, which are isolated and unique events such as house fires, tornados and other storm damage. These are not ongoing ministries of the parish.
- Rebate from Annual Diocesan Appeal



The parish assessment rate is 6% of annual parish assessable income. Income used to pay school subsidy is assessed at a discounted rate of 2%. However, this discounted rate only applies to school subsidy up to 50% of parish assessable income.

Example:

		Assessment Basis	Assessment Rate	Assessment
Parish Assessable Income	\$ 100,000	\$ 50,000	6%	\$ 3,000
School Subsidy	\$ 55,000	\$ 50,000	2%	<u>\$ 1,000</u>
(capped at 50% of income)				
Total Assessment				<u>\$ 4,000</u>



**Assessment for Pension Plan for Priests**

The assessment for the Pension Plan for Priests is based on 45% of parish diocesan assessment. This assessment is capped at a maximum increase of 10% per year. Currently, the net parish assessment discounted by approximately 7% as the gross amount collected from all parishes and institutions is set at approximately \$360,000. This level of funding is subject to change by the Pension Plan for Priests Board of Trustees. Therefore, the discount is evaluated annually and is contingent on the level of benefits paid and the status of the fund.

Example:

Parish Assessment	\$ 10,000
Pension Assessment Factor	<u>45%</u>
Pension Assessment	\$ 4,500
Less Discount Factor of 5%	<u>\$ (225)</u>
Net Pension Assessment	<u>\$ 4,275</u>

**Payment of Annual Assessment**

The preferred method of payment is to fully pay assessment upon receipt of the bill. However, parishes may pay assessment on a quarterly or monthly payment plan with the full balance due by June 30<sup>th</sup> of the fiscal year.