

ARE MINISTERS EMPLOYEES OR SELF-EMPLOYED FOR FEDERAL INCOME TAX REPORTING PURPOSES—A SUMMARY OF ALL RELEVANT CASES AND RULINGS

(continued)

CASE OR RULING	TEST	CONCLUSION
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<i>Ungvar v. Commissioner</i> , T.C. Memo. 2013-161 (2013)	Applied seven-factor test adopted in the <i>Weber</i> case (see below).	Rabbi was an employee.
<i>Radde v. Commissioner</i> , T.C. Memo. 1997-490 (1997)	Applied seven-factor test adopted in the <i>Weber</i> case (see below).	Methodist minister was an employee.
<i>Alford v. United States</i> , 116 F.3d 334 (8th Cir. 1997)	Considered (1) the hiring party's right to control the manner and means by which the product is accomplished; (2) the skill required; (3) the source of the instrumentalities and tools; (4) the location of the work; (5) the duration of the relationship between the parties; (6) whether the hiring party has the right to assign additional projects to the hired party; (7) the extent of the hired party's discretion over when and how long to work; (8) the method of payment; (9) the hired party's role in hiring and paying assistants; (10) whether the work is part of the regular business of the hiring party; (11) whether the hiring party is in business; and (12) the provision of employee benefits.	Assemblies of God pastor who served as sole employee of a small church was self-employed.
<i>Greene v. Commissioner</i> , T.C. Memo. 1996 531 (1996)	Applied an eight-factor test, which included all seven factors in the <i>Weber</i> case (see below) plus an inquiry into whether fringe benefits provided by the employer are "typical" of those provided to employees.	Assemblies of God foreign missionary was self-employed.
<i>Weber v. Commissioner</i> , 103 T.C. 378 (1994), aff'd	Considered (1) the degree of control exercised by the employer over the details of the work; (2) which party invests in the facilities used in the work; (3) the opportunity of the individual for profit or loss; (4) whether the employer has the right to discharge the individual; (5) whether the	Methodist minister was an employee.

60 F.3d 1104 (4th Cir. 1995)	work is part of the employer's regular business; (6) the permanency of the relationship; and (7) the relationship the parties believe they are creating.	
<i>Shelley v. Commissioner</i> , T.C. Memo. 1994 432 (1994)	Applied seven-factor test adopted in the <i>Weber</i> case (see above).	Pentecostal Holiness minister was self-employed.
IRS Letter Ruling 9825002 (1998)	Applied seven-factor test adopted in the <i>Weber</i> case (see above).	Denominational official was an employee.
IRS Letter Ruling 9414022 (1994)	Applied 20-factor test of Revenue Ruling 87-41: (1) employees must comply with employer instructions; (2) employees are more likely to be trained; (3) employees' work is integral part of employer's business; (4) self-employed workers hire and pay substitutes; (5) self-employed workers hire and pay assistants; (6) employees have continuing relationship with employer; (7) employees work set hours; (8) employees are more likely to work full time; (9) employees do work on employer's premises; (10) employees do work in sequence set by employer; (11) employees submit oral or written reports; (12) employees are paid by hour or week, self-employed by the job; (13) employees are more likely to have business expenses reimbursed by employer; (14) self-employed provide their own tools and materials; (15) employees use equipment and facilities provided by employer; (16) self-employed may realize profit or loss; (17) self-employed work for more than one employer at same time; (18) self-employed advertise their services to the public; (19) employees can be dismissed; (20) employees can quit at any time.	Youth pastor was an employee.
IRS Letter Ruling 8333107 (1983)	Applied common-law employee test in the income tax regulations, which states that "generally the relationship of employer and employee exists when the person for whom services are performed has the right to control and direct the individual who performs the services, not only as to the result to be accomplished by the work but also as to the details and means by which that result is accomplished."	Associate pastor was an employee.