

## ***Wingo v. Commissioner, 89 T. C. 922 (1987)***

A probationary member of a religious organization who is ordained as a deacon and serves as a local pastor is considered a minister for self-employment tax purposes, even if not a full member of the organization.

### **Summary**

James S. Wingo, a probationary member, ordained deacon, and local pastor in the United Methodist Church, contested his liability for self-employment taxes for 1981 and 1982, arguing he was not a minister because he was not a full member of the church's conference. The Tax Court held that Wingo was a minister under IRC § 1402(c) and (e), as he performed ministerial functions and was recognized as a minister by his church. The court emphasized that a minister need not be a full member to be liable for self-employment taxes, focusing on the duties performed rather than the formal title within the church hierarchy. Wingo's failure to file a timely exemption form meant he was liable for the taxes assessed.

### **Facts**

James S. Wingo was a probationary member of the North Arkansas Annual Conference of the United Methodist Church, ordained as a deacon, and licensed as a local pastor in 1980. He served as the pastor of the Bono-Shady Grove Charge, where he administered sacraments, conducted religious services, and managed the church's organizational concerns. Wingo did not file for an exemption from self-employment tax under IRC § 1402(e) until 1984, which was untimely for the years 1981 and 1982, when he received income from his pastoral duties.

### **Procedural History**

The Commissioner of Internal Revenue determined deficiencies in Wingo's federal income tax for 1981 and 1982, asserting he was liable for self-employment tax. Wingo filed a petition with the U. S. Tax Court, arguing he was not a minister during those years. The Tax Court found Wingo to be a minister for tax purposes and entered a decision for the respondent.

### **Issue(s)**

1. Whether a probationary member of the United Methodist Church, ordained as a deacon and serving as a local pastor, is considered a "duly ordained, commissioned, or licensed minister" under IRC § 1402(c) and (e) for the purposes of self-employment tax liability.

### **Holding**

1. Yes, because Wingo performed the duties and functions of a minister, including administering sacraments, conducting religious services, and managing the church's

affairs, and was recognized as a minister by his church despite not being a full member.

### **Court's Reasoning**

The court applied the three types of services defined in the regulations under IRC § 1402: ministration of sacerdotal functions, conduct of religious worship, and service in the control, conduct, and maintenance of religious organizations. Wingo satisfied all three criteria through his pastoral duties. The court emphasized that ministerial status for tax purposes does not hinge on formal ordination as an elder or full membership in the church conference but on the performance of ministerial duties. The court also noted that the disjunctive phrase “duly ordained, commissioned, or licensed” meant Wingo’s status as an ordained deacon and licensed pastor was sufficient to classify him as a minister. The United Methodist Church’s recognition of Wingo as part of its ordained ministry further supported the court’s conclusion. The court rejected Wingo’s argument that he was not a minister because he was not a full member, stating that such a position would exclude many other ministers within the church.

### **Practical Implications**

This decision clarifies that for self-employment tax purposes, the definition of a minister is broad and encompasses individuals performing ministerial duties, regardless of their exact position within the church hierarchy. Legal practitioners should advise clients in similar positions to file timely exemption applications if they wish to avoid self-employment taxes. The ruling impacts religious organizations by ensuring that even those not fully ordained may still be liable for such taxes. Subsequent cases have followed this precedent, emphasizing the importance of the duties performed over formal titles. Practitioners should also consider the broader implications for other tax benefits available to ministers, such as the parsonage allowance, which may also apply to those in Wingo’s position.