



DIOCESE OF MANCHESTER

The Song Remains the Same: Handling Compensation for Parish Musicians (Part 1 of 2)

This article is the first of two designed to help you understand the employment status and pay arrangements of the musicians you may employ at your parish. The articles will address the classification of musicians, as non-exempt or exempt, and different pay practices.

Exempt vs. Non-Exempt

First, many musicians are very talented professionals, but the IRS has ruled that most church-music positions – such as cantors, paid choir members and organists – are **non-exempt**, meaning musicians need to be paid for each hour of work, as well as overtime if they exceed 40 hours in a week (along with required breaks and lunch where a shift warrants).

A few musicians are classified as **exempt** employees if they fall into a small class of ministerial, independent-judgment leadership positions, such as Director of Liturgy. Remember, though, the classification of any job depends on its *substance*, not its *title*. Such positions are “**exempt**” as long as the employee is paid by salary (not stipend or hourly) and the salary is above the minimum of \$455 per week.

If the compensation is tied to hours worked and/or below those minimums, then the employee is **non-exempt**. If you are not sure which category a musician (or any other employee) falls into, please contact Christine Hagen at (603) 669-3100 x 161 for guidance. The safe course and rule of thumb in all such cases is that **unless clearly exempt, an employee should be considered non-exempt**.

Pay for Play

Non-exempt musicians are sometimes paid on a **stipend** basis for their work (i.e. \$50 per Mass). If a musician is paid by stipend, that stipend could be considered to include time spent at other duties like choir rehearsals and staff meetings. However, in that case, the pay must be greater than the legal minimum wage level. In other words, the total pay must exceed minimum hourly wage when divided by *all* the actual number of hours worked during the pay period.

The parish may also choose to pay a stipend plus additional hourly pay for various additional work (such as meetings or rehearsals). It could be something like \$50 per service plus \$15 per hour for additional duties. In that case, the parish may choose to pay different hourly rates for different work, so long as the total amount paid (with the flat-fee included) works out to more than minimum wage for all hours worked.

And, of course, all these pay practices require the musicians to fill out time sheets like other employees. And to repeat the obvious: all the pay – flat fee or otherwise – needs to be run through payroll and is subject to federal income tax and social security/Medicare taxes withholdings.

In part 2, we’ll look beyond base pay to additional pay practices for musicians, such as weddings, music rights, and bonuses.