



### **Appeals Court Ruling Preserves Clergy Housing Exemption**

A federal appeals court [has thrown out](#) a lower court ruling that the federal income tax exemption for clergy housing allowances is unconstitutional. The appeals court directed the U.S. District Court in Wisconsin that ruled on the suit November 21, 2013, to dismiss the complaint.

The U.S. Court of Appeals for the Seventh Circuit [ruled on November 13, 2014](#), that the plaintiffs lacked standing to challenge the constitutionality of Section 107 of the Internal Revenue Code, which provides the exemption. The Freedom from Religion Foundation and two individuals filed the suit. The appeals court did not address the constitutionality of Section 107.