1. What Is Purgatory?

The Catechism on the Final Purification, or Purgatory

All who die in God's grace and friendship, but still imperfectly purified, are indeed assured of their eternal salvation; but after death they undergo purification, so as to achieve the holiness necessary to enter the joy of heaven.

The Church gives the name Purgatory to this final purification of the elect, which is entirely different from the punishment of the damned. The Church formulated her doctrine of faith on Purgatory especially at the Councils of Florence and Trent. The tradition of the Church, by reference to certain texts of Scripture, speaks of a cleansing fire (cf. 1 Cor 3:15; 1 Pet 1:7) “As for certain lesser faults, we must believe that, before the Final Judgment, there is a purifying fire...”

This teaching is also based on the practice of prayer for the dead, already mentioned in Sacred Scripture: "Therefore [Judas Maccabeus] made atonement for the dead, that they might be delivered from their sin." (2 Macc 12:46). From the beginning the Church has honored the memory of the dead and offered prayers in suffrage for them, above all the Eucharistic sacrifice, so that, thus purified, they may attain the beatific vision of God. (CCC 1030-1032)

2. Why Is Purgatory Necessary?

The Biblical Difference between Mortal and Venial Sin (1 John 5)

There is sin which is mortal (Greek pros thanaton)... All wrongdoing is sin, but there is sin which is not mortal (Greek ou pros thanaton) (1 John 5:16-17)

The Catechism on Sin’s Double Consequence and the Grace of Purgatory

[I]t is necessary to understand that sin has a double consequence.

Grave sin deprives us of communion with God and therefore makes us incapable of eternal life, the privation of which is called the “eternal punishment” of sin.

On the other hand every sin, even venial, entails an unhealthy attachment to creatures, which must be purified either here on earth, or after death in the state called Purgatory. This purification frees one from what is called the “temporal punishment” of sin. These two punishments must not be conceived of as a kind of vengeance inflicted by God from without, but as following from the very nature of sin. A conversion which proceeds from a fervent charity can attain the complete purification of the sinner in such a way that no punishment would remain.

The forgiveness of sin and restoration of communion with God entail the remission of the eternal punishment of sin, but temporal punishment of sin remains. While patiently bearing sufferings and trials of all kinds and, when the day comes, serenely facing death, the Christian must strive to accept this temporal punishment of sin as a grace. He should strive by works of mercy and charity, as well as by prayer and the various practices of penance, to put off completely the “old man” and to put on the “new man.” (CCC 1472-73)
The Jewish Roots of Purgatory

3. Where is Purgatory in the Bible?

Prayer for the Dead in the Old Testament
Judas and his men went to take up the bodies of the fallen and bring them back to lie with their kinsmen in the sepulchers of their fathers. Then under the tunic of every one of the dead they found sacred tokens of the idols of Jamnia, which the law forbids the Jews to wear... [So] they turned to prayer, beseeching that the sin which had been committed might be wholly blotted out... [Judas] also took up a collection, man by man, of the amount of two thousand drachmas of silver, and sent it to Jerusalem to provide for a sin offering. In doing this acted very well and honorably, taking account of the resurrection. For if he were not expecting that those who had fallen would rise again, it would have been superfluous and foolish to pray for the dead. But if he was looking to the splendid reward that is laid up for those who fall asleep in godliness, it was a holy and pious thought. Therefore he made atonement for the dead, that they might be delivered from their sin. (2 Maccabees 12:39-45)

Saint Paul on being “Saved Through Fire” (1 Corinthians 3)
For no other foundation can any one lay than that which is laid, which is Jesus Christ. Now if any one builds on the foundation with gold, silver, precious stones, wood, hay, straw—each man's work will become manifest; for the day will disclose it, because it will be revealed with fire, and the fire will test what sort of work each one has done. If the work which any man has built on the foundation survives, he will receive a reward. If any man's work is burned up, he will suffer loss, though he himself will be saved, but only as through fire (1 Corinthians 3:11-15).

4. Did Jesus Ever Talk about Purgatory?

Jesus, the Sermon on the Mount, and Getting Out of “Prison” (Matthew 5)
Jesus said: “You have heard that it was said to the men of old, ‘You shall not kill; and whoever kills shall be liable to judgment.’ But I say to you that every one who is angry with his brother shall be liable to judgment; whoever says ‘Raka’ (‘idiot’) to his brother shall be liable to the council, and whoever says, ‘Fool!’ (Greek mre) shall be liable to the Gehenna of fire. So if you are offering your gift at the altar, and there remember that your brother has something against you, leave your gift there before the altar and go; first be reconciled to your brother, and then come and offer your gift. Make friends quickly with your accuser, while you are on the road with him, lest your accuser hand you over to the judge, and the judge to the guard, and you be put in prison; Amen, I say to you, you will never get out till you have paid the last penny. (Matthew 5:21-25)

Gehenna and “Purgatory” in Ancient Jewish Tradition
Rabbi Yose says: (At Judgment) those altogether righteous shall not be put through a purgatory; those altogether wicked shall not be put through a purgatory. Who then will be put through a purgatory? Those betwixt and between... The School of Shammai says: Those betwixt and between shall go down into Gehenna, be purged there, be singed, and come up therefrom; as it is said, “And I will bring the third part through the fire, and will refine them as silver is refined, and will try them as gold is tried” (Zechariah 13:9). (Aboth de Rabbi Nathan 41; trans. R. Goldin)
Jesus’ Parable of the Servants’ Debts (Matthew 18)
Then Peter came up and said to him, "Lord, how often shall my brother sin against me, and I forgive him? As many as seven times?" Jesus said to him, "I do not say to you seven times, but seventy times seven. Therefore the kingdom of heaven may be compared to a king who wished to settle accounts with his servants. When he began the reckoning, one was brought to him who owed him ten thousand talents; and as he could not pay, his lord ordered him to be sold, with his wife and children and all that he had, and payment to be made. So the servant fell on his knees, imploring him, 'Lord, have patience with me, and I will pay you everything.' And out of pity for him the lord of that servant released him and forgave him the debt. But that same servant, as he went out, came upon one of his fellow servants who owed him a hundred denarii; and seizing him by the throat he said, 'Pay what you owe.' So his fellow servant fell down and besought him, 'Have patience with me, and I will pay you.' He refused and went and put him in prison till he should pay the debt. When his fellow servants saw what had taken place, they were greatly distressed, and they went and reported to their lord all that had taken place. Then his lord summoned him and said to him, 'You wicked servant! I forgave you all that debt because you besought me; and should not you have had mercy on your fellow servant, as I had mercy on you?' And in anger his lord delivered him to the jailers, till he should pay all his debt. So also my heavenly Father will do to every one of you, if you do not forgive your brother from your heart." (Matthew 18:23-35)

Jesus’ Parable of the Master and the Servants’ Different Punishments (Luke 12)
Jesus said: "You also must be ready, for the Son of Man is coming at an hour you do not expect." Peter said, "Lord, are you telling this parable for us or for all?" And the Lord said: "Who then is the faithful and wise steward, whom his master will set over his household, to give them their portion of food at the proper time?
(1) Blessed is that servant whom his master when he comes will find so doing. Amen, I say to you, he will set him over all his possessions.
(2) But if that servant says to himself, 'My master is delayed in coming,' and begins to beat the menservants and the maidservants, and to eat and drink and get drunk, the master of that servant will come on a day when he does not expect him and at an hour he does not know, and will punish him, and put him with the unfaithful.
(3) And that servant who knew his master's will, but did not make ready or act according to his will, shall receive a severe beating.
(4) But he who did not know, and did what deserved a beating, shall receive a light beating. Every one to whom much is given, of him will much be required; and of him to whom men commit much they will demand the more. (Luke 12:42-48)

Pope Francis on the Souls in Purgatory
There is a profound and indissoluble bond among all those who are still pilgrims in this world - among us - and those who have crossed the threshold of death to enter into eternity. All the baptized down here on earth, the souls in Purgatory and all the Blessed who are already in Paradise make up one great family. This communion between earth and Heaven is brought about especially through the intercessory prayer. Dear friends, we have this beauty! (Pope Francis, General Audience, October 31, 2013)