

# For Use When Reporting to Internal Revenue for 2020 Income

(send with IRS report)

Herewith is a copy of a Resolution adopted June 2019 by The Great Plains Annual Conference of The United Methodist Church, authorizing retired/disabled ministerial members thereof to exclude, within limits, deferred salary received during the 2020 calendar year **Expended** for house rent/home mortgage loan and utilities. NOTE: The rental/housing allowance that may be excluded from a Clergy person's gross income in any year for federal income tax purposes is limited under Internal Revenue Code section 107(2) and regulations there under to the least of: (1) the amount of the rental/housing allowance designated by the Clergy person's employer or other appropriate body of the Church (such as this Conference in the foregoing resolutions) for such year; (2) the amount actually expended by the Clergy person to rent or provide a home for such year; or (3) the fair rental value of the home, including furnishings and appurtenances (such as a garage), plus the cost of utilities in such year.

## GREAT PLAINS ANNUAL CONFERENCE OF THE UNITED METHODIST CHURCH RESOLUTION RELATING TO RENTAL/HOUSING ALLOWANCE FOR RETIRED OR DISABLED CLERGYPERSONS OF THE GREAT PLAINS CONFERENCE

The Great Plains United Methodist Conference (the "Conference") adopts the following resolutions relating to rental/housing allowances for active, retired, terminated, or disabled clergy persons of the Conference:

WHEREAS, the religious denomination known as The United Methodist Church (the "Church"), of which this Conference is a part, has in the past functioned and continues to function through ministers of the gospel (within the meaning of Internal Revenue Code section 107) who were or are duly ordained, commissioned, or licensed ministers of the Church ("Clergy persons");

WHEREAS, the practice of the Church and of this Conference was and is to provide active Clergy persons with a parsonage or a rental/housing allowance as part of their gross compensation;

WHEREAS, pensions or other amounts paid to active, retired, terminated, and disabled Clergy persons are deferred compensation and are paid to active, retired, terminated, and disabled Clergy persons in consideration of previous active service; and WHEREAS, the Internal Revenue Service has recognized the Conference (or its predecessors) as an appropriate organization to designate a rental/housing allowance for Clergy persons who are or were members of this Conference and are eligible to receive such deferred compensation;

NOW, THEREFORE, BE IT RESOLVED:

THAT an amount equal to 100% of the pension, severance, or disability payments received from plans authorized under *The Book of Discipline of The United Methodist Church* (the "Discipline"), which includes all such payments from the Wespath Benefits and Investments ("Wespath"), during the period January 1, 2020, through December 31, 2020, by each active, retired, terminated, or disabled Clergy person who is or was a member of the Conference, or its predecessors, be and hereby is designated as a rental/housing allowance for each such Clergy person; and THAT the pension, severance, or disability payments to which this rental/housing allowance designation applies will be any pension, severance, or disability payments from plans, annuities, or funds authorized under the Discipline, including such payments from the Wespath and from a commercial annuity company that provides an annuity arising from benefits accrued under a Wespath plan, annuity, or fund authorized under the Discipline, that result from any service a Clergy person rendered to this Conference or that an active, a retired, a terminated, or a disabled Clergy person of this Conference rendered to any local church, annual conference of the Church, general agency of the Church, other institution of the Church, former denomination that is now a part of the Church, or any other employer that employed the Clergy person to perform services related to the ministry of the Church, or its predecessors, and that elected to make contributions to, or accrue a benefit under, such a plan, annuity, or fund for such an active, a retired, a terminated, or a disabled Clergy person's pension, severance, or disability plan benefit as part of his or her gross compensation.

NOTE: The rental/housing allowance that may be excluded from a Clergy person's gross income in any year for federal (and, in most cases, state) income tax purposes is limited under Internal Revenue Code section 107(2), and regulations thereunder, to the least of: (a) the amount of the rental/housing allowance designated by the Clergy person's employer or other appropriate body of the Church (such as this Conference in the foregoing resolutions) for such year; (b) the amount actually expended by the Clergy person to rent or provide a home in such year; or (c) the fair rental value of the home, including furnishings and appurtenances (such as a garage), plus the cost of utilities in such year. Each clergy person or former clergy person is urged to consult with his or her own tax advisor to determine what deferred compensation is eligible to be claimed as a housing allowance exclusion.

I hereby certify that I, a retired minister of The Great Plains Annual Conference of The United Methodist Church, during the 2020 calendar year, expended for house rent, or mortgage loan payments, including taxes, not less than \$\_\_\_\_\_.

That I expended, and can justify if so requested, not less than \$\_\_\_\_\_ during the 2020 calendar year for insurance, maintenance and utility expenses on said dwelling.

The above printed Resolution therefore justifies the exclusion, from deferred salary ministerial income, a total of \$\_\_\_\_\_.

Grand total excluded from deferred salary; ministerial pension compensation received in 2020 was \$\_\_\_\_\_.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date