

1 **RENTAL-HOUSING ALLOWANCES**

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4 **RESOLUTION #2024 - 04**

5 Relating to Rental/Housing Allowances for Retired or Disabled Clergypersons

6 **Presented by** Mandy Miller, President Board of Benefits

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8 **WHEREAS**, the religious denomination known as The United Methodist Church (the “Church”), of which this
9 Conference is part, has in the past functioned and continues to function through ministers of the gospel (within
10 the meaning of Internal Revenue Code section 107) who were or are duly ordained, commissioned or licensed
11 ministers of the Church (“Clergypersons”);

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13 **WHEREAS** the practice of the Church and of this Conference was and is to provide active Clergypersons with a
14 parsonage or a rental/housing allowance as part of their gross compensation.

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16 **WHEREAS** pensions or other amounts paid to retired and disabled Clergypersons are considered to be deferred
17 compensation and are paid to retired and disabled Clergypersons in consideration of previous active service;

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19 **WHEREAS**, the Internal Revenue Service has recognized the Conference (or its predecessors) as the appropriate
20 organization to designate a rental/housing allowance for retired and disabled Clergypersons who are or were
21 members of this Conference.

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23 **THEREFORE BE IT RESOLVED**, that an amount equal to 100% of the pension or disability payments received from
24 plans authorized under *The Book of Discipline* of The United Methodist Church (“the *Discipline*”), which includes
25 all such payments from Wespath during the year 2025 by each retired or disabled Clergyperson who is or was
26 a member of the Conference, or its predecessors, be and hereby is designed as a rental/housing allowance for
27 each such Clergyperson; and

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29 **BE IT FURTHER RESOLVED**, that the pension and disability payments to which this rental/housing allowance
30 applies will be any pension or disability payments from plans, annuities, or funds authorized under the *Discipline*,
31 including such payments from Wespath and from a commercial annuity company that provides an annuity
32 arising from benefits accrued under a Wespath plan, annuity, or fund authorized under the *Discipline*, that result
33 from any service a Clergyperson rendered to this Conference or that a retired or disabled Clergyperson of this
34 Conference rendered to any local church, annual conference of the Church, general agency of the Church, other
35 institution of the Church, former denomination that is now a part of the Church, or any other employer that
36 employed the Clergyperson to perform services related to the ministry of the Church, or its predecessors, and
37 that elected to make contributions to, or accrue a benefit under, such a plan, annuity, or fund for such retired or
38 disabled Clergyperson’s pension or disability as part of his or her gross compensation.

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40 **NOTE:** The rental/housing allowance that may be excluded from a Clergyperson’s gross income in any year for
41 federal income tax purposes is limited under Internal Revenue Code section 107(2) and regulations thereunder
42 to the least of (1) the amount of the rental/housing allowance designated by the Clergyperson’s employer or
43 other appropriate body of the Church (such as this Conference in the foregoing resolutions) for such year; (2) the
44 amount expended by the Clergyperson to rent or provide a home in such year; or (3) the fair rental value of the
45 home, including furnishings and appurtenances (such as a garage), plus the cost of utilities in such year.