

2021 Housing/Rental Exclusion Resolution

1. The Board recommends adopting the Housing/Rental Exclusion Resolution which designates 100% of United Methodist pension, severance or disability income as housing exclusion in accordance with IRS Code section 107 is approved for the year January 1, 2021 through December 31, 2021 as follows:

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 ("Clergypersons"); and,

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

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

WHEREAS the Internal Revenue Service has recognized that the Conference (or its predecessors) as an appropriate organization to designate a rental/housing allowance for Clergypersons who are or were members of this Conference and are eligible to receive such deferred compensation;

NOW THEREFORE BE IT RESOLVED:

1. 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 General Board of Pension and Health Benefits ("GBOPHB"), during the period January 1, 2021 through December 31, 2021, by each active, retired, terminated, or disabled Clergyperson who is or was a member of the

Conference, or its predecessors, be and is hereby designated as a rental/housing allowance for each such Clergy person; and

2. That the pension, severance, or disability payments to which this rental/housing allowance designation applies shall be any pension, severance, or disability payments from plans, annuities, or funds authorized under the Discipline, including such payments from the GBOPHB and from a commercial annuity company contracted by the GBOPHB to provide an annuity arising from benefits accrued under a GBOPHB 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.