

January 5, 2021

To Whom it May Concern:

This letter certifies that the 50th Session of The Wisconsin Annual Conference of The United Methodist Church, meeting in Plenary Session at the KI Convention Center in Green Bay, Wisconsin on Friday, June 14, 2019, approved the following Resolution:

Action Item 4: Resolution Relating to Rental/Housing Allowances for retired or Disabled Clergypersons of the Wisconsin Conference

Submitted by: Joint Board of Pensions, Insurance & Equitable Compensation
Conference Action: Approved on Consent Agenda

The approved resolution is for calendar year 2020.

A copy of the approved resolution is attached to this letter.

The approved resolution will be included in the 2019 Wisconsin Conference Journal when it is published.

Any questions regarding this matter may be directed to me at the address indicated on the letterhead above.

Sincerely,

Rev. Kevin Rice Myers, Conference Secretary
Wisconsin Conference, UMC

2020 Rental/Housing Allowance for Retired or Disabled Clergy of the Wisconsin Annual Conference
Approved by the 2019 Session of the Wisconsin Annual Conference of The United Methodist Church on 6/14/2019

Action Item 4: Resolution Relating to Rental/Housing Allowances for retired or Disabled Clergypersons of the Wisconsin Conference

Submitted by: Joint Board of Pensions, Insurance & Equitable Compensation

Conference Action: Approved on Consent Agenda

WHEREAS the religious denomination known as The United Methodist Church (the “Church”), of which the Conference is a part, has and 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”);

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

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, and disabled Clergypersons in consideration of previous active service; and

WHEREAS the Internal Revenue Service has **recognized** the Conference (or its predecessors) as the 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;

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 Wespeth (formerly the General Board of Pension and Health Benefits), during the year 2020 by each active, retired, terminated or disabled Clergyperson 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 Clergyperson; and

BE IT FURTHER RESOLVED the pension, severance, or disability payments to which this rental/housing allowance applies will be any pension, severance, or disability payments from plans, annuities, or funds authorized under the Discipline, including such payments from Wespeth and from a commercial annuity company that provides an annuity arising from benefits accrued under a Wespeth plan, annuity, or fund authorized under the Discipline, that result from any service a Clergyperson rendered to this Conference or that an active, a retired, a terminated, or a disabled Clergyperson 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 Clergyperson 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 active, retired, terminated, or disabled Clergyperson’s pension or disability as part of his or her gross compensation.

NOTE: *The rental/housing allowance that may be excluded from a Clergyperson’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 Clergyperson’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 Clergyperson to rent or provide a home in 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. Each clergyperson or former clergyperson 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.*