

*Resolution approved by the 2020 Michigan Annual Conference on September 7, 2020.*

**Michigan Conference**  
**Board of Pension and Health Benefits**

**The Michigan Conference Board of Pension and Health Benefits moves to establish the Housing/Rental Allowance for retired or clergy on medical leave status (receiving disability benefits) in the Michigan Conference as follows:**

1. An amount equal to 100% of the pension/disability payments received during the year 2021 is hereby designated as a rental/housing allowance for each retired and disabled ordained or licensed minister of The United Methodist Church who is or was a member of the Michigan Conference at the time of his or her retirement or disability;
2. This rental/housing allowance shall apply to each retired and disabled ordained or licensed minister who has been granted the retired relationship or placed on medical leave by the Michigan Conference and whose name and relationship to the conference is recorded in the Journal of the Michigan Conference or in other appropriate records maintained by the conference;
3. The pension/disability payment to which this rental/housing allowance applies shall be the pension/disability payment resulting from all service of such retired and disabled ordained or licensed ministers from all employment by any local church, annual conference or institution of The United Methodist Church, or from any other employer who employed the minister to perform services related to the ministry and who elected to make contributions to the pension and welfare funds of The United Methodist Church for such retired minister's pension or disability benefits;
4. The amount of the housing/rental allowance that may be excluded is limited to the lesser of: a) The amount designated as the housing/rental allowance, or b) The amount actually expended for housing/rent, or c) The fair rental value of housing, if required by law.

**Rationale:**

The United Methodist Church has and functions through Ministers of the Gospel who are duly ordained or licensed. The practice of The United Methodist Church is to provide a parsonage or housing allowance as a part of the gross compensation for each of its active ordained or licensed ministers. Pensions paid to retired and disabled ordained or licensed ministers of the United Methodist Church are considered deferred compensation and are paid to said retired and disabled ordained or licensed ministers in consideration of previous active service. The Internal Revenue Service has recognized that the Michigan Conference is the appropriate body to designate a housing/rental allowance for retired and disabled ordained or licensed ministers who are members of this conference.

Presented by:  
Rev. Dr. Steven J. Buck, President  
The Michigan Conference Board of Pension & Health Benefits  
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