



Financial Benefits Information

General Information

Church Benefits (CB) has partnered with Retirement Wealth Management, Inc., for advisory services and Empower Financial, as the plan provider for record keeper. Empower is a top-rated plan provider.

The CB plan will use highly-ranked institutional mutual funds for cost savings and economies of scale.

All Funds Included in CB's Plans from Empower Meet the Following Criteria:

- Top 25% performance in the last 3- and 5-year statistical periods
- Minimum of three-year tenure of fund managers
- Ratio of management expenses to return is better than the average as measured by Morningstar
- Other criteria considered include risk, value of assets, consistent performance, reputation and level of social responsibility

Tax Advantages

- Rollovers from other eligible retirement plans or Traditional IRAs are possible without tax consequence.
- Earnings on all contributions and rollovers are tax-deferred.
- Retirees who are Ministers for Tax Purposes may request a designation of retirement benefits as a tax-free housing allowance within legal limits.

Other Benefits

- Multiple payment options for distributions and retirement benefits.
- CB world-class customer service and extensive ministerial experience.
- Age 70½ distributions not required for inactive plan rolled over to an active CB retirement plan.

Minister's Housing Allowance

A housing allowance is simply a portion of a minister's compensation that is designated in advance by the church. It is very beneficial to have a Housing Allowance because it is excluded from federal income tax.

In order to qualify for the exclusion from federal income tax, two conditions must be satisfied:

- The housing allowance must be board approved before it was paid (A housing allowance is NEVER retroactive)
- The minister actually spent the allowance on eligible housing expenses during the year

403b – IRS 2019 Limits

The maximum amount an employee can contribute to a 403b in 2019 will increase to \$19,000 and for individuals over the age of 50, their catch-up contribution will remain unchanged at \$6,000 (see table)

403(b) and 401(k) Retirement Plans

Limit Type	2018	2019
Basic Limit (Section 415 Limit ^{1,2})	\$55,000	\$56,000
General Limit on Salary Reduction Contributions (Section 402(g) Limit ^{1,2,3})	\$18,500	\$19,000
Additional Salary Reduction Contributions ^{1,3} (Age 50 or over)	\$6,000	\$6,000