



## 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 2020 Limits

The maximum amount an employee can contribute to a 403b in 2022 will increase to \$20,500 and for individuals over the age of 50, their catch-up contribution will remain unchanged at \$6,500 (see table)

Year	401K Contribution Limit	Maximum Employer Contribution	Max. for ALL Contributions (excl. Catch-up)	Additional Catch-up Amount (age > 50)
2022	\$20,500	\$40,500	\$61,000	\$6,500
2021	\$19,500	\$38,500	\$58,000	\$6,500
2020	\$19,500	\$37,500	\$57,000	\$6,500
2019	\$19,000	\$37,000	\$56,000	\$6,000
2018	\$18,500	\$36,500	\$55,000	\$6,000