



INFORMATION FOR CHURCH TREASURERS – 2020

- The 2020 IRS Mileage Reimbursement for vouched professional expenses will decrease to **57.5 cents** on **1/1/2020**. It is important to confirm that the church has an Accountable Reimbursement Plan in place to address professional expense reimbursements. If you do not have a plan in place, the members of your staff could face negative tax consequences. A sample Accountable Reimbursement Plan is available, please contact Eric at the presbytery office.
- Housing Allowances – if applicable and working with the Pastor, the **Session** should designate a housing allowance for next year for pastors who own or rent their home. A housing allowance must be designated in advance, never effective retroactively.
- The Board of Pensions, **Medical Plan** dues for clergy will be 25 percent of effective salary for member or member and family for 2019. **Total dues are 37 percent**, including Pension Plan dues of 11 percent and Death and Disability Plan dues of 1 percent. Effective salary includes any compensation received during a Benefits Plan year by a Plan member, including, but not limited to, any sums paid for housing allowance (including utilities and furnishings). A manse value included in effective salary is at least 30% of all other compensation. Deferred compensation, bonuses; and lump sum allowances are included in Effective Salary. The Board of Pensions has expanded online resources to include additional templates, sample resolutions, online training and other helpful information applicable to churches that can be found at www.pensions.org - (including Effective Salary and Dues calculators.)
- The cap on income subject to Social Security tax is increased to \$137,700 for 2020.
- As of 1/1/2020, the federally required contribution cap on “Flexible Spending Accounts” (FSA) is increased to **\$2,750**. These pre-tax accounts can be used to pay for qualified medical expenses– [note this cap is not applicable to an employer funded Health Reimbursement Arrangement (HRA)]. Also, the FSA may include an option to allow employees to carryover up to \$500 of their prior year FSA funding. This fixed dollar **option** could replace the carryover time period option (e.g., 90 days to remit prior year medical expenses). Note that the church plan may not include a carryover time period and a fixed dollar option.
- 403b elective deferral contributions (employee) to defined plans **increased to \$19,500 for 2020**. Additionally, if you are age 50 or older, the catch-up contribution limit is **\$6,500 for 2020**.
- **January 31, 2020**, is the due date for filing 2019 Forms W-2 and W-3 with the Social Security Administration. This date applies to both electronic and paper filers. Form 1099-MISC is also due to the IRS by January 31 when reporting non-employee compensation payments.
- A bank record or a **written statement** from the church is needed by donors to prove the amount and date of any donation of money. Donors must get a written acknowledgement from the church for all gifts worth **\$250** or more. It must include, among other things, a description of the items contributed. Special rules apply to cars, boats and other types of property donations.
- The church member per capita is our shared gift providing primary support of the operating ministry of the Presbytery, Synod and General Assembly. As approved by the Assembly in November, presbytery per capita is \$29.24 for 2020. The Synod rate is \$3.81 and General Assembly \$8.95. This results in a total per member rate for **per capita of \$42.00 for 2020**.

Thank you for your work and ministry. If you have any questions – we’re here to help you!

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