



November 2023

Dear Minister of Word and Sacrament:

This letter is being issued to confirm that for calendar year 2024 The Board of Benefits Services of the Reformed Church in America, Inc. (BOBS) has designated up to 100% of distributions from the RCA Retirement Plan and the RCA 403(b) Retirement Program as housing allowance for participants in the plan(s) who are eligible for the housing allowance under the relevant provisions of the United States Internal Revenue Code. This designation was made at the BOBS October 2023 board meeting.

BOBS cannot offer any opinion about how much of the designated funds may in fact be excluded from a participants' gross income as housing allowance. Those taking distributions of any amount are able to claim the allowance in compliance with Section 107(1) of the federal tax code. The amount of the housing allowance that can be excluded from taxable income is the smaller of:

1. The amount actually spent to provide your home (mortgage/rent, utilities, taxes, maintenance, etc.)
2. The fair market rental value of your home (including furnishings, maintenance, etc.)
3. The amount officially designated in advance by BOBS.

Each year, distributions from the RCA Retirement Plan are reported to participants on a W-2 form and distributions from the RCA 403(b) Retirement Program are reported on a 1099-R. It is the responsibility of each individual tax filer to determine what portion of his/her RCA retirement compensation can be claimed upon tax filing. Participants should consult a tax advisor or the Internal Revenue Service if there are questions about how much to claim for housing allowance. The staff at BOBS are not authorized to provide tax advice to plan participants.

You are responsible for compliance with federal and state law (including any applicable IRS regulations) and for maintaining an accurate record of housing expenditures in order to substantiate any amounts excluded from gross income when filing your income tax returns. You may retain this letter for your records and submit it with any tax return(s) you file.

Sincerely,

Kelly Oliveira  
Executive Director of Benefits Services