Christian Reformed Church

MEMORANDUM

TO: U.S. Retired Ministers of the Christian Reformed Church

FROM: Katie Henry

DATE: January 5, 2026

SUBJECT: Ministers' Pension Plan Annual Tax Statements for tax year 2026

As in the past, synod has adopted a housing allowance for retired ministers. The Acts of Synod 2025, Article 38 III C 1, page 603 reads:

> That synod, by consenting to this report, will have designated up to 100 percent of a minister's early or normal retirement pension or disability pension for 2025 as housing allowance for United States income-tax purposes (IRS Ruling 1.107-1), but only to the extent that the pension is used to rent or provide a home. —Adopted

Your 1099-R form will be mailed separately. It will show your total 2025 pension in Box 1. Although your Ministers' Pension Fund benefits are taxable for U.S. income tax purposes, typically the housing allowance will offset a significant amount of the tax effect of this income. Remember that the housing allowance you claim is limited to the actual housing expense that you can identify and document. The amount of your pension minus the housing allowance that you determine will be the taxable amount of your pension that should be reported on your 1040 tax return.

Clergy tax matters can be complex. There are many publications available to assist with clergy taxation issues. If you have questions about the completion of your tax return, contact your local IRS office or a professional tax advisor.