



January 2015

Dear pastors and congregational leaders,

Greetings! We pray you and your congregations are having a blessed start to the New Year.

Like all new years, there are legal changes in 2015 that affect congregations. One change is the impact of the federal Affordable Care Act on health insurance for pastors and staff. We are enclosing an advisory concerning the issue of pastors and staff buying individual health insurance. This advisory was prepared in consultation with Everence, our stewardship agency. Neither we nor Everence is giving legal advice, but we have conducted research on the issue, which we're sharing to benefit your church.

If your church is providing any financial support for pastors/staff to access group or individual medical insurance, please read the enclosed advisory carefully.

The Affordable Care Act now requires congregations to treat any financial assistance to pastors/staff for individual health insurance as regular income to them. And, the church may be subject to an excise tax. This affects churches that purchase an individual insurance policy directly for their pastors/staff or reimburse them for the cost of individual insurance.

If your church provides insurance through a group plan, like The Corinthian Plan, there is no change to the way that expense is treated for tax purposes.

Please review the detailed information in the attached bulletin and feel free to contact us with any questions you have about the issue.

Partners in the Call,

A handwritten signature in black ink that reads "Terry W. Shue". The signature is written in a cursive, flowing style.

Terry W. Shue

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