

Why Vacancy Dues? FYI

When a pastor or associate pastor leaves or retires, a congregation is required to pay 12% Vacancy Dues to the PCUSA Board of Pensions (BOP) for 12 months or until an interim pastor begins work at the church. Why is that?

This is a question often asked by Sessions and church treasurers. Sometimes, the church is thinking that it can have this extra money to set aside to help pay for the cost of seeking the next pastor or think it can help save money when times are tight. If there is no pastor or associate pastor, why pay money to the PCUSA Board of Pensions?

The basic reason is that our denomination understands its commitment to our teaching elders as a communal responsibility and all churches share in spreading out the costs of a premium health care plan for those who dedicate their life and livelihood to serving the Lord in the life of the church, many of which do so at minimum salary levels.

The 12% Vacancy Dues helps keep the costs reasonable for those retired pastors (and spouses) who are in the BOP Medicare Supplement program. This helps those who often have tight budgets in retirement years keep household costs more reasonable. Thanks to the Vacancy Dues, in 2014 it saves a retired pastor about \$50 (\$100 for a couple) per month in extra costs.

This is a way for the community of congregations in our Presbyterian connectional system to continue to support those who have dedicated their lives to the work of the Lord through the ministry of the church. (This also is the case for those churches that pay 12% post-retirement dues when a retired pastor comes to serve a congregation. It is another way to share the responsibility for caring for our retired pastors.)

Vacancy Dues are waived when a congregation chooses not to seek another called pastor or associate pastor. The Commission on Ministry must approve this action. Our Board of Pensions occasionally offers exemptions from Vacancy Dues in cases of extreme financial distress and such an exemption must be proven and approved by Commission on Ministry.