

Section 05 - Officers' Allowances
Minute # 28
Part # 1
Date of Minute: 08/31/99
Revision Date: 12/11/2018

CENTRAL TERRITORIAL HEADQUARTERS
5550 Prairie Stone Parkway
Hoffman Estates, IL 60192

RETIRED OFFICERS' FURNISHINGS GRANT
(Effective October 17, 2018)

A. PURPOSE

The purpose of the retired officers' furnishings grant is to assist Salvation Army officers who, during their active service, have been supplied quarters furnishings by The Salvation Army, and who, upon retirement are responsible for purchasing their own quarters' furnishings.

The furnishings grant has been designated (like the retirement allowance, housing allowance, automobile grant and retired officers' travel grant) 100% as rental allowance and may be excluded from gross income for Federal income tax purposes to the extent of the amounts actually spent by an officer for a residence, including furnishings. In the case of an officer who rents a residence, this includes rent, furnishings, and utilities. With regard to an officer who owns a residence, the total exclusion for housing and furnishings is limited to the lesser of (1) the actual payments for the residence including mortgage, insurance, taxes, furnishings, utilities and repairs, and (2) the fair rental value of the residence plus cost of utilities. Nevertheless, The Salvation Army will include in the tax grant in the year of retirement the amount of Federal and state income tax liability for the full furnishings grant.

Because the retired officer's furnishings grant is paid prior to retirement (see D.3. below), it is subject to Federal "self-employment tax" (Social Security tax). The tax grant paid in the year of retirement will therefore also include the SECA tax liability with respect to the furnishings grant.

B. ELIGIBILITY

Officers eligible for the retired officers' furnishings grant include all active commissioned officers serving in full-time appointments in the USA, commissioned officers from the USA in active duty in other parts of the world, provided in either instance that they do not participate in a similar grant from another territory.

The retired officers' furnishings allowance will be paid per the approved schedule (see below) to all retired officers who have completed 10 years or more active service and in full to officers who have served 30 or more years. Since the payment schedule for this grant

depends on the retirement allowance as calculated under the provisions of *Orders and Regulations Governing the Retirement of Officers in the United States of America*, the amount of the furnishings allowance will increase for years of service beyond 30.

For each officer the years of service shall include the actual years served, missionary service credits, academic credits and/or auxiliary-captain service. The resulting years of service for the individual officer will be the basis for determining the amount paid to that officer.

Officers who return to active service after retirement, and then reenter retirement, are eligible to receive an incremental grant based on their additional service credit. See section F for the payment provision.

C. PAYMENT SCHEDULE

As set forth in the relevant sections of the *Order and Regulations Governing the Retirement of Officers in the USA*, payment of the retired officers' furnishings grant shall be made on the following terms:

1. In the case of an officer with thirty (30) or more years of active service, in an amount equal to twenty-four (24) times the monthly retirement allowance, including the positional allowance (where applicable), children's allowance, and long service allowance (where applicable), payable to the officer not earlier than 12 months prior to the date of retirement.
2. In the case of an officer with less than thirty (30) years of active service, in an amount which bears the same proportion to twenty-four (24) times the monthly retirement allowance, including the positional allowance (where applicable), children's allowance, and long service allowance (where applicable), as the number of the officer's years of active service bears to thirty (30), payable to the officer not earlier than 12 months prior to the date of retirement.

D. PAYMENT

1. The retired officers' furnishings grant shall be paid to the officer not earlier than twelve months prior to the approved date of retirement.
2. If an officer takes the furnishings grant twelve months or less in advance of his/her retirement date and the grant is increased before retirement, the officer will be given the balance of the amount they would be due to receive at actual retirement date.
3. The furnishings grant must be paid entirely prior to the date of retirement.
4. Payments executed before January 1, 2017, should be paid to and in the name of the officer, if unmarried, or to the male officer, if married. Payments executed on or after

January 1, 2017, should be paid to and in the name of the officer.

E. PROVISION FOR AN ACTIVE OFFICER MARRYING A RETIRED OFFICER

An active officer who marries a retired officer (and is therefore retired) shall receive an officer furnishings grant no later than three months after the official retirement date, based upon years of service as an active officer.

F. PROVISIONS FOR A RETIRING OFFICER WHO RECEIVED A FURNISHINGS GRANT ON A PREVIOUS RETIREMENT

A deduction to the grant calculation will be made in the case of an officer who has retired, returned to active service, and is reentering retirement, if the officer benefited from a furnishings grant in the earlier retirement.

1. In the case of an officer who benefited from an furnishings grant for married officers prior to January 1, 2017, on a previous retirement, one half of the amount of the furnishings grant received on the previous retirement shall be deducted in computing the furnishings grant to be received by that individual officer on the later retirement. "Benefited from" means that the earlier furnishings grant was paid in the earlier active service to the officer or to the officer's active service husband.
2. In all other cases, the amount of the furnishings grant received on the previous retirement shall be deducted in computing the furnishings grant to be received based on the later retirement.

G. FUNDING

Funding for all retired officers' furnishings grants will be at territorial discretion.

H. VESTING

As with other allowances and grants paid to officers, the officer has no legal right to receive the furnishings grant for which provision is made in this minute. The Salvation Army reserves the right at any time to discontinue the payment of the retired officers' furnishings grants and otherwise to modify the provisions of this minute. An officer shall not obtain any vested right to the furnishings grant prior to its actual payment.

Issued at the direction of the Territorial Commander on December 11, 2018.

Colonel Steven M. Howard
CHIEF SECRETARY

February 2004 CC pp. 54-57, 111
February 2005 CC pp. 60, 108-109
October 2009 CC pp. 178-192
February 2011 CC pp. 302-306
February 2014 CC pp. 150-157
October 2015 CC pp. 383-389
May 2016 CC pp. 379-387
February 2017 CC pp. 78-86
Oct. 2018 CC pp. 106-112

Section 05 - Officers' Allowances
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CENTRAL TERRITORIAL HEADQUARTERS
5550 Prairie Stone Parkway
Hoffman Estates, IL 60192

RETIRED OFFICERS'
HOUSING ALLOWANCE PLAN
USA

THE SALVATION ARMY

RETIRED OFFICERS'

HOUSING ALLOWANCE PLAN

USA

Approved by
The Commissioners' Conference
May 2017

Revised June 25, 1981
Revised March 1986
Revised February 1992
Revised July 1992
Revised February 1995
Revised May 1999
Revised October 2000
Revised April 2001
Revised August 2001
Revised November 2001

Revised January 29, 2002
Revised March 18, 2002
Revised April 15, 2002
Revised May 28, 2002
Revised April 15, 2003
Revised July 22, 2003
Revised November 11, 2003
Revised May 3, 2004
Revised May 18, 2004
Revised August 17, 2004

Revised May 16, 2005
Revised January 30, 2006
Revised June 13, 2006
Revised October 24, 2006
Revised April 24, 2007
Revised October 2, 2007
Revised February 12, 2009
Revised February 11, 2010
Revised July 19, 2011
Revised May 19, 2011

A. PLAN

The plan shall be known as The Salvation Army Retired Officers' Housing Allowance Plan.

B. PURPOSE

The purpose of the plan is to assist Salvation Army officers*, who during active service have been supplied housing by The Salvation Army, and who upon retirement are responsible for their own housing arrangements.

The housing allowance, intended for housing, has been designated (like the retirement allowance, the traveling grant, automobile grant and furnishings grant) 100% as "rental allowance."

The housing allowance, retirement allowance, automobile grant and furnishings grant may be excluded from gross income for Federal income tax purposes to the extent of the amounts actually spent by an officer for his/her residence. In the case of an officer who rents his/her residence, this includes rent, furnishings, and utilities; in the case of an officer who owns his/her residence, the exclusion is limited to the lesser of (1) the actual payments for the residence including mortgage, insurance, taxes, furnishings, utilities and repairs, and (2) the fair rental value of the residence, plus the cost of utilities (in the case of married officers, because they share the residence, the aggregate exclusion taken individually by the husband and wife may not exceed the amount specified in this clause (2)). The exclusion is only applicable for years, or portions thereof, in which the officer does not reside in Salvation Army quarters, and the maximum limit on the exclusion, whether based on rent payments or fair rental value, is determined solely for the period in the year after the officer vacates Salvation Army quarters, if applicable.

Reference should be made to the National Minute entitled "*Officers Retirement Benefits – Exclusion of Rental Allowance from Taxable Income*" for additional detail relating to the calculation of the exclusion, including for the year in which the officer vacates Salvation Army quarters.

Like the retirement allowance, the traveling grant, the automobile grant and the furnishings grant paid to retired officers, the housing allowance would not be subject to Federal "self-employment tax" (Social Security tax) but only if paid after actual retirement.

*Where not otherwise indicated, the word "officer" as used in this Minute/Policy includes auxiliary captains.

C. ELIGIBILITY

Those eligible for participation under this plan include all active auxiliary captains and commissioned officers serving in full-time appointments in the USA; Eligible participants also include auxiliary captains and commissioned officers from the USA in active duty in other parts of the world provided in either instance they do not participate in a similar grant from another territory. In addition to the above, to be eligible, an officer must have served a minimum of ten years in the USA or as a USA officer in a non-USA territory or a combination of both, have applied for and been approved for retirement by the retirement council, having been found to be in good standing based on his or her record of active service.

No individual shall have any right, title or interest in the housing allowance prior to the determination by the retirement council that the individual is entitled to such allowance.

D. CALCULATION

The housing allowance will be paid per the approved "Retired Officers' Housing Allowance Schedules" to all officers who have been approved for retirement and who have completed 10 years or more active service and in full to officers who have served 30 or more years. Furthermore, additional increments as approved from time to time will be granted to officers for each year of service after 30 to 50. No additional increments will be granted to officers for 51 or more years of

service.

Housing allowance is paid recognizing years and months of service and a full month will be given for a partial month. In computing the amount, the annual difference is prorated based on the months of service given in the year of retirement. (Effective January 1, 2001.)

In the case of married officers, after crediting each spouse for missionary service, academic credits and/or auxiliary captain's service, the resulting years of service of the longer serving spouse will be used as the calculating base. The housing allowance paid to single officers, widows or widowers will be paid per the approved schedule on the basis of their own service record.

1. In the case where an officer couple or a single officer has been approved for retirement and the officer(s) is within two years and one day of retirement, the full amount of the housing allowance as provided on the *Retired Officers' Housing Allowance Schedules* will be available to the officer(s), or in the case of promotion to Glory, to his/her surviving spouse or his/her estate, as applicable, based upon the Officer's anticipated years of service at retirement. In the case of any early termination of active service, other than official retirement, the housing allowance grant may be reduced by an amount equal to any cost, expense, or damage caused to The Salvation Army by the officer(s), or by any amount owed by the officer(s) to The Salvation Army. This supersedes provision K.2. of the minute/policy *Officers' Transition Grants* .
2. In the case where an officer couple retires early for any reason, and one member of the couple later returns to active service, then
 - a. if the returning officer is single, the amount of housing allowance to be paid at a later retirement shall be the housing allowance calculated from the *Retired Officers' Housing Allowance Schedules* for total years of service, less (i) one half the housing allowance paid to the couple at the earlier retirement, if the payment was made before January 1, 2017, or (ii) the amount of the housing allowance previously paid to the returning officer if the payment was made after December 31, 2016.
 - b. if the returning officer has remarried an active officer and returns as a married officer, then the amount of housing allowance to be paid to the couple at a later retirement shall be calculated as the sum of 1) the housing allowance from the *Retired Officers' Housing Allowance Schedules* based on the service of the officer who had not previously retired, and 2) the housing allowance from the *Retired Officers' Housing Allowance Schedules*, based on the service of the officer who was previously retired, less (i) one half the housing allowance paid to the previously retired couple at the earlier retirement, if the payment was made before January 1, 2017, or (ii) the amount of the housing allowance previously paid to the retiring officer if the payment was made after December 31, 2016.
3. In the case where an active single officer marries a retired officer and is therefore retired, he/she shall receive a housing allowance no later than three months after the official retirement date, based upon years of service as a single officer.
4. When an officer widow/widower whose spouse was promoted to Glory with ten years or more of service is approved for retirement, a retirement housing allowance will be provided consisting of 1) a housing allowance according to the schedule for the year of retirement based on the surviving officer's years of service, plus 2) housing allowance according to the schedule for the year of retirement based on the deceased spouse's years of service.

If the spouse dies within two years of the retirement of the surviving spouse, then the widow/widower will receive the full housing allowance to which both the deceased spouse and the surviving spouse would be entitled based on the years of service of the longest-serving spouse, regardless of the date of approval of the official retirement date.

E. FUNDING

Funding for all housing allowances will be paid from Salvation Army funds at the discretion of the territory. Benefits payable pursuant to this National Minute/Policy may not be anticipated, assigned, alienated, pledged, encumbered or subjected to attachment, levy, execution, or other legal or equitable process.

F. PAYMENTS

Subject to approval by the retirement council, an officer is eligible to draw one payment or payments in equal installments commencing as early as two years and one day prior to his/her official retirement date. All Officers must apply for the housing allowance designating the desired payment schedule. If no schedule is designated, the allowance will be paid in a lump sum upon retirement. The retirement council must approve the payment of the housing allowance and the payment schedule, if applicable.

In the event of the promotion to Glory of either or both spouse(s) or of a single officer within the two years and one day prior to his/her official retirement date approved by the retirement council the full amount of the housing grant will be paid to the surviving spouse or the estate as applicable. Thus, no refund of the deceased officer's housing allowance will be required if an officer predeceases his/her spouse prior to the official retirement date.

If an officer takes any portion of the housing allowance within two years and one day prior to retirement and the housing allowance increases during that time, the officer will be given the balance of the increased amount.

In the case of married officers, each officer will be paid a housing allowance determined pursuant to the schedule applicable to the years of service of the longer serving spouse.

In the event that an officer voluntarily terminates his/her officership between the time the retirement council has approved retirement and the actual retirement date, the housing allowance will be paid in full as per *Retired Officers' Housing Allowance Schedules*. In such a case, an officer may receive a benefit greater than that allowed under the minute/policy Officers' Transition Grants, section K.2. This provision also assumes that the officer will have completed at least ten years of service at the point of termination, in accordance with section K.2., of the same minute/policy.

Situations not specifically addressed in the plan will be resolved by the Territorial Finance Council.

The Salvation Army reserves the right at any time to terminate the plan, to discontinue the payment of housing allowances or otherwise to modify the provisions of the plan.

G. EFFECTIVE DATE

The plan, as amended, is effective May 2017 with respect to all payments of housing allowance that

commence after December 31, 2016.

Issued at the direction of the Territorial Commander on September 11, 2018.

Colonel Steven M. Howard
CHIEF SECRETARY

May 2007 CC pp. 129-131
February 2009 CC pp. 52-66
February 2010 CC pp. 71-78
February 2011 CC pp. 228-233
May 2011 CC pp. 437-447
February 2013 CC pp. 208-211
May 2013 CC pp.258-266
May 2013 CC pp. 442-445
May 2014 CC pp. 370-373
May 2016 CC pp 137-142
May 2017 CC pp 26-36
May 2018 CC pp. 213-216

Retired Officers' Housing Allowance Schedules - 2013



2013ROHousingAllowanceSchedules.pdf

Retired Officers' Housing Allowance Schedules - 2014



ROHousingAllowance-2014Married.pdf ROHousingAllowance-2014Single.pdf

Retired Officers' Housing Allowance Schedules - 2015



ROHousingAllowance-2015Married.pdf ROHousingAllowance-2015Single.pdf

**Retired Officers' Housing Allowance Schedules
2016, 2017 and 2018**

(posted 9/26/2016)



ROHousingAllowance-2016-2018Married(Revised per 2016.05 CC).pdf



ROHousingAllowance-2016-2018Single(Revised per 2016.05 CC).pdf

Retired Officers' Housing Allowance Schedules - 2019

(posted 1/27/2017)



5.25.1 - ROHousingAllowance-2019Married(revised).pdf



5.25.1 - ROHousingAllowance-2019Single(revised).pdf

Retired Officers' Housing Allowance Schedules - 2020



RO Housing Allowances - 2020 - Married.pdf RO Housing Allowances - 2020 - Single.pdf

Retired Officers' Housing Allowance Schedules - 2021

(posted 9/12/2018)



ROHousingAllowance-2021Married.pdf ROHousingAllowance-2021Single.pdf

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CENTRAL TERRITORIAL HEADQUARTERS
5550 Prairie Stone Parkway
Hoffman Estates, IL 60192

RETIRED OFFICERS' AUTOMOBILE GRANT
(Effective October 17, 2018)

The Territorial Commander, upon the recommendation of the Territorial Finance Council and in accordance with national uniformity, approved the following:

A. **PURPOSE**

The purpose of the retired officers' automobile grant is to assist Salvation Army officers who, during their active service, have been supplied a vehicle by The Salvation Army, and who, upon retirement are responsible for purchasing their own automobile.

The automobile grant has been designated (like the retirement allowance, housing allowance, the furnishings grant and the retired officers' travel grant) 100% as rental allowance.

The rental allowance attributable to the automobile grant, like the retirement allowance, housing allowance, the furnishings grant and the retired officers' travel grant, may be excluded from gross income for Federal income tax purposes to the extent of the amounts actually spent by an officer for the officer's residence. In the case of an officer who rents a residence, this includes rent, furnishings, and utilities. With regard to an officer who owns a residence, the total exclusion for housing and furnishings is limited to the lesser of (1) the actual payments for the residence including mortgage, insurance, taxes, furnishings, utilities and repairs, and (2) the fair rental value of the residence plus cost of utilities. Nevertheless, The Salvation Army will include in the tax grant in the year of retirement the amount of Federal and state income tax liability for the full automobile grant.

Because the retired officers' automobile grant is paid prior to retirement (see D.3. below), it is subject to Federal "self-employment tax" (Social Security tax). The tax grant paid in the year of retirement will therefore also include the SECA tax liability with respect to the automobile grant.

B. **ELIGIBILITY**

Officers eligible for the retired officers' automobile grant include all active commissioned officers serving in appointments in the USA and commissioned officers from the USA in active duty in other parts of the world, provided in either instance that they do not

participate in a similar grant from another territory.

The retired officers' automobile grant will be paid in a pro-rated amount to all retiring officers who have completed 10 years or more active service and in full to all officers who have served 30 or more years. Since the payment schedule for this grant depends on the retirement allowance as calculated under the provisions of *Orders and Regulations Governing the Retirement of Officers in the United States of America*, the amount of the automobile allowance will increase for years of service beyond 30.

For each officer, the years of service shall include the actual years served, missionary service credits, academic credits and/or auxiliary-captain service. The resulting years of service for the individual officer will be the basis for determining the amount paid to that officer.

Officers who return to active service after retirement, and then reenter retirement, are eligible to receive an incremental grant based on their additional service credit. See section F for the payment provision.

C. PAYMENT SCHEDULE

As set forth in the relevant sections of the *Order and Regulations Governing the Retirement of Officers in the USA*, payment of the retired officers' automobile grant shall be made on the following terms:

1. In the case of an officer with thirty (30) or more years of active service, in an amount equal to ten (10) times the monthly retirement allowance, including the positional allowance (where applicable), and long service allowance (where applicable), payable to the officer not earlier than 12 months prior to the date of retirement.
2. In the case of an officer with less than thirty (30) years of active service, in an amount which bears the same proportion to ten (10) times the monthly retirement allowance, including the positional allowance (where applicable), and long service allowance (where applicable), as the number of the officer's years of active service bears to thirty (30), payable to the officer not earlier than 12 months prior to the date of retirement.

D. PAYMENT

1. The retired officers' automobile grant shall be paid to the officer not earlier than twelve months prior to the approved date of retirement.
2. If an officer takes the automobile grant twelve months or less in advance of the officer's retirement date and the grant is increased before retirement, the officer will be given the balance of the amount they would be due to receive at actual retirement date.

3. The automobile grant must be paid entirely prior to the date of retirement.
4. Payments executed before January 1, 2017 should be paid to and in the name of the officer, if unmarried, or to the male officer, if married. Payments executed on or after January 1, 2017 should be paid to and in the name of the officer.

E. PROVISION FOR AN ACTIVE OFFICER MARRYING A RETIRED OFFICER

An active officer who marries a retired officer (and is therefore retired) shall receive an officer automobile grant no later than three months after the official retirement date, based upon years of service as an active officer.

F. PROVISIONS FOR A RETIRING OFFICER WHO RECEIVED AN AUTOMOBILE GRANT ON A PREVIOUS RETIREMENT

A deduction to the grant calculation will be made in the case of an officer who has retired, returned to active service, and is reentering retirement, if the officer benefited from an automobile grant in the earlier retirement.

1. In the case of an officer who benefited from an automobile grant for married officers prior to January 1, 2017, on a previous retirement, one half of the amount of the automobile grant received on the previous retirement shall be deducted in computing the automobile grant to be received by that individual officer on the later retirement. "Benefited from" means that the earlier automobile grant was paid in the earlier active service to the officer or to the officer's active service husband.
2. In all other cases, the amount of the automobile grant received on the previous retirement shall be deducted in computing the automobile grant to be received based on the later retirement.

G. FUNDING

Funding for all retired officers' automobile grants will be at territorial discretion.

H. VESTING

As with other allowances and grants paid to officers, the officer has no legal right to receive the automobile grant for which provision is made in this minute. The Salvation Army reserves the right at any time to discontinue the payment of the retired officers' automobile grants and otherwise to modify the provisions of this minute. An officer shall not obtain any vested right to the automobile grant prior to its actual payment.

Issued at the direction of the Territorial Commander on December 11, 2018.

Colonel Steven M. Howard
CHIEF SECRETARY

Oct. 2014 CC pp. 66-75
May 2016 CC pp. 370-378
Oct. 2018 CC pp. 99-105