Death benefits offer income security and peace of mind to your survivors after your death.

**HOW IT WORKS**

Death benefits protect your family against unexpected loss of income if you die and can include several types of benefits, depending on whether you are actively working, disabled, or retired.

**AMOUNT OF BENEFITS**

The amount and type of death benefits depends on your employment status when you die: active, disabled, retired, or vested in the Pension Plan but no longer working for a PC(USA) employer.

**Salary continuation benefit**

If you are an active employee or disabled when you die, your benefit equals the death benefit basis*, payable in 12 equal monthly installments after you die.

If you are retired when you die, your benefit is designed to assist with funeral expenses; its amount is tied to your retirement date:

- Within three years of your retirement, your benefit is based on the death benefit basis* at retirement and is reduced by 1/12 every three months after you retire.
- After you are retired for three years, your benefit is $10,000**, payable in a one-time payment.

If you were vested in the Pension Plan and did not begin receiving pension benefits when you ended employment, your beneficiaries may be eligible for a benefit of $10,000**, if you were receiving a retirement pension benefit on January 1, 2007, or met the Rule of 70 at retirement.

**Lump-sum death benefit**

If you are an active employee or disabled when you die (or in transitional participation coverage with death benefits coverage), the plan pays a lump-sum death benefit equal to the lesser of the death benefit basis or $110,000*, multiplied by a percentage based on your age when you die.

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<th>Age at death</th>
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</table>

Retired and vested members who are no longer employed by a PC(USA) employer do not receive lump-sum death benefits.

**Children’s education benefit**

If you are an active employee, disabled, or retired from active service when you die, each of your eligible children under age 25 may receive $10,000 annually, up to a maximum of $40,000 per child, for the first four years of full-time accredited study beyond high school after you die.

The Board pays benefits monthly, directly to the student, over a 12-month period: six payments each for fall semester (October - March) and spring semester (April - September).

* The death benefit basis is the greater of the pension participation basis (annual effective salary or 25 percent of the congregational ministers’ median, whichever is more, up to the IRS maximum) or the applicable median (prorated for part-time employment). The IRS maximum for 2020 is $285,000, effective January 1, 2020, increased from $280,000 in 2019. The maximum lump-sum death benefit basis is $110,000, effective January 1, 2020, increased from $100,000 in 2019.

** Reflects plan provisions effective January 1, 2020. In 2019, the benefit was $9,000.
**Living needs benefit**

If you become terminally ill, the living needs benefit offers you the option to receive some of your death benefits before you die to help pay expenses during the final stage of your illness.

If you are an active employee you can apply for the following benefits if you are expected to live no more than 24 months, if you have been covered under the plan for two years or more, and your terminal condition is not related to an intentional self-inflicted injury:

- the actuarial present value of up to 100 percent of your salary continuation benefit; and/or
- 75 percent of your lump-sum death benefit (the lesser of the death benefit basis or $110,000*, multiplied by a percentage based on your age when you die).

If you are retired, you can request up to the present value of $10,000**.

The living needs benefit is paid in a lump sum and only to you. The amount paid will be deducted from death benefits payable to your beneficiary(ies) or eligible dependents on file, upon your death.

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* The death benefit basis is the greater of the pension participation basis (annual effective salary or 25 percent of the congregation’s median, whichever is more, up to the IRS maximum) or the applicable median (prorated for part-time employment). The IRS maximum for 2020 is $285,000, effective January 1, 2020, increased from $280,000 in 2019. The maximum lump-sum death benefit basis is $110,000, effective January 1, 2020, increased from $100,000 in 2019.

** Reflects plan provisions effective January 1, 2020. In 2019, the benefit was $9,000.

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**APPLYING FOR BENEFITS**

When your family member or survivor reports your death to the Board, the Board sends a Death Benefits Claim form to your survivor(s) to complete and return to apply for benefits.

**Designating beneficiaries**

To be sure benefits are paid as you intend, log onto Benefits Connect to designate beneficiaries when you enroll, or to add, change, or verify beneficiaries and the percentage of the benefit assigned to each.

**Enrollment**

Once your employer enrolls you for death benefits coverage, you do not need to take any action when first hired other than to assign beneficiaries.

**Cost/contributions**

Your employer pays the full cost for death benefits coverage; you may not contribute.

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**LEARN MORE**

For more information about death benefits, visit pensions.org/benefitsguidance. If you have questions, call the Board at 800-773-7752 (800-PRESPLAN).

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*This is not a full description of benefits and limitations of the plan. If there is any difference between the information presented here and the provisions of the Benefits Plan of the Presbyterian Church (U.S.A.), the plan terms will govern. Visit pensions.org or call the Board at 800-773-7752 (800-PRESPLAN) for a copy of the plan document.*