

# NAHMA Analysis

## News and Analysis of Breaking Issues in Affordable Housing



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### Federally Mandated Exclusions from Income Federal Register Notice 4-20-2001

Effective Date for payments by the Indian Claims Commission: October 10, 1978.

Effective Date for allowances, earnings and payments to AmeriCorps participants: October 1, 1993.

Effective Date for the first \$2000 of income received by individual Indians derived from interests in trust or restricted lands: January 1, 1994.

Effective Date for spina bifida payments: October 1, 1997.

Effective Date for victim crime compensation under the Victims of Crime Act: October 1, 1999.

Effective Date for payments received under programs funded in whole or in part under the Workforce Investment Act: August 7, 1998.

HUD is required under various laws to periodically publish a notice updating the Income Exclusions for the various HUD housing assistance programs. The last update was published not quite eight years ago, since that time new program exclusions have been added, and to make our jobs more interesting the dates they are added vary with the piece of legislation they were attached to.

You may well already be excluding income from these sources as you do certifications and re-certifications. Here is the new official list of exclusions, this list supersedes the August 3, 1993 list and updates the provisions of your 4350.3 as regards exclusions. This is quoted in full from this morning's Federal Register:

#### **Updated List of Federally Mandated Exclusions From Income**

The following updated list of federally mandated exclusions supersedes that notice published on August 3, 1993. The following list of program benefits is the comprehensive list of benefits that currently qualify for the income exclusion stated in 24 CFR 5.609(c)(17) :

- (i) The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2017(b));

- (ii) Payments to Volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g), 5058);
- (iii) Payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c));
- (iv) Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e);
- (v) Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f));
- (vi) Payments received under programs funded in whole or in part under the Job Training Partnership Act (29 U.S.C. 1552(b)); (effective July 1, 2000, references to Job Training Partnership Act shall be deemed to refer to the corresponding provision of the Workforce Investment Act of 1998 (29 U.S.C. 2931));
- (vii) Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L. 94-540, 90 Stat. 2503-04);
- (viii) The first \$2000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U.S. Claims Court, the interests of individual Indians in trust or restricted lands, including the first \$2000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407-1408);
- (ix) Amounts of scholarships funded under title IV of the Higher Education Act of 1965, including awards under Federal work-study program or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu);
- (x) Payments received from programs funded under Title V of the Older Americans Act of 1985 (42 U.S.C. 3056(f));
- (xi) Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund [[Page 20320]] established pursuant to the settlement in In Re Agent-product liability litigation, M.D.L. No. 381 (E.D.N.Y.);
- (xii) Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721);
- (xiii) The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q);
- (xiv) Earned income tax credit (EITC) refund payments received on or after January 1, 1991 (26 U.S.C. 32(j));
- (xv) Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95-433);

(xvi) Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d));

(xvii) Any allowance paid under the provisions of 38 U.S.C. 1805 to a child suffering from spina bifida who is the child of a Vietnam veteran (38 U.S.C. 1805);

(xviii) Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act (42 U.S.C. 10602); and

(xix) Allowances, earnings and payments to individuals participating in programs under the Workforce Investment Act of 1998

While some of these exclusions are narrow and only affect a few hundred families, others are quite broad in application. You will want to provide those in your organization doing certifications with a copy of the exclusions.