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Sent: Wednesday, June 22, 2011 7:39 AM
To: MFH-RHIIP-TIPS-L@hudlist.hud.gov
Subject: RHIIP Listserv #256 - Are Social Security "Cents" Included as Income?

RHIP Listserv Posting #256 June 22, 2011

Welcome to the MULTIFAMILY HOUSING RENTAL HOUSING INTEGRITY IMPROVEMENT PROJECT (RHIIP) LISTSERV that brings you up-to-date RHIIP related publications, news, information and occupancy tips in an effort to help reduce errors in rent determinations and subsidy calculations.

Are Social Security "Cents" Included as Income?

We have received requests for further clarification to RHIIP Listserv messages #229 and #231 on how to calculate Social Security income and/or Medicare when the amounts in the EIV system differ from the amounts represented on the SSA Award Letter. Specifically, which document do you use when the Social Security Award Letter indicates a "cents" amount being received and the EIV Income Report does not.

Housing Notice 2010-10 states the Income Report identifying the Social Security benefit information in EIV must be used as third party verification of the tenant's income and will be used to calculate the tenant's income. Additionally, the O/A must confirm with the tenant that the current benefit amount in EIV is correct. If the tenant agrees that the Social Security benefit information reported in EIV is correct, the O/A must use the gross benefit amount reported in EIV for calculating the tenant's income by annualizing the gross benefit amount projected forward for the next 12 months. This requirement allows the O/A to use the amount represented in EIV (even if no cents are included) to calculate income. Social Security Award Letters are not required to be viewed or included in the tenant's file if the EIV Income Report is being used to verify and calculate benefits.

The SSA award letter should be used to calculate income and included in the tenant's file only if the tenant disputes the amount(s) on the EIV Income Report. Having the SSA Award Letter in the file is not in itself an indication that the tenant disputes the amount(s) on the EIV Income Report. The O/A should make a note on the EIV Income Report that the tenant disputes the amount and then use the Social Security Award Letter to calculate income. The award letter must not be older than 120 days. Please refer to Notice H 2010-10 for instructions when the tenant does not have his/her Social Security Award Letter or when the letter is older than 120 days.

You can view the RHIP Tips Archives, under "Listserv-Multifamily RHIP Tips" at http://www.hud.gov/offices/hsg/mfh/rhiip/mfhrhiip.cfm

Please encourage others to sign-up for the Listserv, so they too can receive current RHIP related information from HUD <u>http://www.hud.gov/subscribe/mailinglist.cfm</u>

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