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New York State Division of Housing and Community Renewal
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HOUSING MANAGEMENT BUREAU MEMORANDUM # 2008-B-07

To: All Federally-Assisted Housing Companies
Owners, Managing Agents and Site Managers

From: Robert Damico, Downstate Director
Housing Management Bureau

Date: April 25, 2008

Subject: Economic Stimulus Payments (Tax Rebates);
Treatment of Medicare Premium

In an effort to help reduce errors in the rent determinations and subsidy calculations performed by the staff of our Federally assisted Housing Companies, we want to provide you with following updated information:

Economic Stimulus Payments (Tax Rebates) Excluded from Income

The Economic Stimulus payments (tax rebates) received by applicants applying for assisted housing and by tenants participating in HUD's rental assistance programs are excluded from income for the purposes of determining eligibility and rent. The Economic Stimulus Act of 2008 requires this exclusion and the payments are an income exclusion under 24 CFR 5.609 (c) (17) of HUD's regulations.

Treatment of Medicare Premium

When an applicant's/tenant's Medicare premium is paid by the State or some other entity, the Medicare premium is not included in annual income nor is it included as a medical expense. The Medicare premium is excluded income under 24 CFR 5.609 (c) (4) of HUD's regulations. Owners / agents who have processed certifications/ re-certifications for elderly or disabled tenants that include the Medicare premium as income should process corrections to the certifications/re-certifications.

If you have any questions, please call Linda Kedzierski at (212) 480-2021, or e-mail her at LKedzierski@dhcr.state.ny.us



Robert Damico