



**MAINTENANCE CHARGES
EFFECTIVE: March 1, 2018**

ELECTRICAL

LIGHT BULBS	\$ 3.00
FLOUSCENT TUBES	\$ 4.00
FLOUSCENT CIRCULINE	\$ 5.00

PLUMBING

Tenant Negligence

UNPLUG TOILET	\$25.00
LIFT TOILET	\$40.00
UNPLUG DRAINS	\$25.00
DISCONNECT PIPES, ETC.	\$40.00

STRUCTURES

Tenant Negligence

REPLACE WINDOW GLASS	COST + 1 HOUR LABOR
REPLACE WINDOW SCREENING	COST + 1 HOUR LABOR
SMOKE ALARMS	\$20.00 PLUS COST
HOUSING KEY	\$ 4.00
MAILBOX KEY	\$ 3.00
SHED KEY (CT or SS)	\$ 5.00
KEY FOBS	\$15.00
LOCK CHANGE (AT TENANTS REQUEST) MORAN TOWERS, SIVERLY APARTMENTS, SCATTERED SITES, CENTURY TERRACE, TOWNE TOWERS	COST + ½ HOUR LABOR
UNLOCK APARTMENT DOOR	\$40.00

MISCELLANEOUS

CUT GRASS (WHEN TENANTS RESPONSIBILITY)

CENTURY TERRACE OR SCATTERED SITE

Hourly rate (minimum \$15.00)

CLEANING APARTMENT

LABOR CHARGE PER HOUR, PER PERSON

Tenants will be charged for any damage done to the apartment due to tenant negligence. The OCHA Maintenance Department will decide whether it is tenant negligence or not. The charge to you will be the cost to replace any items + labor-charge per hour, per person

The Housing Authority's labor charge per hour is \$25.00 with a minimum charge of \$15.00

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WORK ORDER REQUESTS:

If you need to place a work order, call the Oil City Housing Authority to do so.
676-5764, Option #1

If it is an emergency during working hours, call the Property Manager or Maintenance Department
676-5764 Amy Brinkley ext. 101 Maintenance Department ext. 107

If you do not reach someone, leave a message OR if it is a life or death emergency, call the ON
CALL EMERGENCY CELL PHONE @ 671-6714

.....
Should you have an EMERGENCY after hours (4 p.m. to 8 a.m.) or weekends (4 pm Friday to 8 A.M. Monday)

Call 671-6714, the Emergency on call phone

Any of the following are considered to be an EMERGENCY WORK ORDER

- **NO HEAT (October thru April)**
- **PILOT LIGHT OUT (hot water heater or stove)**
- **SMELL OF GAS**
- **FURNACE NOT WORKING**
- **HOT WATER TANK LEAKING**
- **NO WATER**
- **PLUGGED TOILETS**
- **PLUGGED DRAIN LINES**
- **MOST ELECTRICAL**
- **SECURITY**

Make sure it is an emergency before you call after hours. Remember, the Maintenance personnel have to drop what they are doing to come to your aide...

If you continually lock yourself out of your apartment, you may request an extra key (at a charge to you) to give to someone you trust, who is willing and able to come to your aide at any time of the day or night, to come let you in!!!!!!!!!!!!

WHEN YOU MOVE OUT OF THE APARTMENT, IT SHOULD BE IN THE SAME CONDITION AS IT WAS WHEN YOU MOVED IN.



SCATTERED SITES

UTILITY ALLOWANCES

	<u>2-BR-Duplex</u>	<u>3-Bedroom</u>	<u>4-Bedroom</u>
Gas	\$38.00 (30 Therms)	\$62.00 (36 Therms)	\$67.00 (39 Therms)
Electric	\$48.00 (391 KWH)	\$56.00 (434 KWH)	\$64.00 (477 KWH)
Monthly Total	\$86.00	\$118.00	\$131.00

MONTHLY CONSUMPTION ALLOWANCES

SCATTERED SITE	2-BR	3-BR	4-BR
Monthly allowances			
Water (cubic feet)	471cf	675cf	880cf

SIVERLY APARTMENTS UTILITY ALLOWANCES

	<u>1-Bedroom</u>
Electric	\$42.00 (285KWH)
Rounded To	\$42.00

CHERRY HILL APARTMENTS UTILITY ALLOWANCES

	<u>3-Bedroom</u>	<u>4-Bedroom</u>
Gas	\$47.00	\$76.00
Electric	\$68.00	\$50.00
Total	\$115.00	\$126.00

Effective: March 1, 2018

Appendix C: Developments of Sites By Type

Name of Development	Total # Units	General Occupancy (former Family Units)	Mixed Population (former Elderly Units)	Designated Elderly Units	Designated Handicap Units
Moran Towers	48		45		3
Siverly Apartments	30		28		2
Century Terrace	50	47			3
Scattered Sites	20	19			1
Cherry Hill	20	18			2



FY 2017 INCOME LIMITS DOCUMENTATION SYSTEM

HUD.gov [HUD User Home](#) [Data Sets](#) [Fair Market Rents](#) [Section 8 Income Limits](#) [MTSP Income Limits](#) [HUD LIHTC Database](#)

FY 2017 Income Limits Summary

FY 2017 Income Limit Area	Median Income Explanation	FY 2017 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
Venango County	\$55,800	Very Low (50%) Income Limits (\$) Explanation	20,150	23,000	25,900	28,750	31,050	33,350	35,650	37,950
		Extremely Low Income Limits (\$)* Explanation	12,100	16,240	20,420	24,600	28,780	32,960	35,650*	37,950*
		Low (80%) Income Limits (\$) Explanation	32,200	36,800	41,400	46,000	49,700	53,400	57,050	60,750



The Oil City Housing Authority has established this Flat Rent Schedule in accordance with HUD guidelines. The Flat Rents identified herein are effective MARCH 1, 2018 and will continue until the Oil City Housing Authority establishes revised amounts. In applicable properties, the figures listed have been reduced by a differential (utility allowance) for the tenant payment of utilities.

Property Location	EFF.	1-BR	2-BR	3-BR	4-BR
Moran Towers	\$ 438	\$ 460			
Siverly Apartments	\$ -	\$ 418	\$ -	\$ -	\$ -
Scattered Sites	\$ -	\$ -	\$ 472	\$ 582	\$ 689
Cherry Hill	\$ -	\$ -	\$ -	\$ 585	\$ 694
Century Terrace	\$ -	\$ 460	\$ 558	\$ 700	\$ 820
HUD FMR	\$ 547	\$ 574	\$ 697	\$ 874	\$ 1,024
80% FMR	\$ 437.60	\$ 459.20	\$ 557.60	\$ 699.20	\$ 819.20
Round To	\$ 438	\$ 460	\$ 558	\$ 700	\$ 820

Property Location	Tenant Paid Utilities
Moran Towers	No tenant-paid utilities
Siverly Apartments	Electric
Scattered Sites	Gas, Electric, Water, Sewage, Trash, Recycling
Cherry Hill	Gas, Electric
Century Terrace	No tenant-paid utilities

Flat Rents Effective: 3/1/2018

Appendix F: Security Deposits

Security Deposit Requirements	Set Amount
Set amount for all units regardless of number of bedrooms	\$99.00

Appendix G: Termination and Eviction Policy

**Oil City Housing Authority
Oil City, Pennsylvania**

Termination and Eviction Policy

Adopted by PHA Board of Commissioners

Resolution No.: 396

Date of Adoption: 9-21-17

Effective Date of Implementation: 9-21-17

Authorized Use by the Oil City Housing Authority

Termination and Eviction Policy

As a landlord, the Oil City Housing Authority (hereinafter referred to as PHA) has certain rights and responsibilities concerning termination of dwelling leases and eviction of residents who violate lease terms or are determined to be undesirable for other reasons.

A. Rights and Responsibilities

1. The PHA may terminate or refuse to renew a lease for serious or repeated violations of material terms of the lease by residents including, but not limited to, the following.

The regulation at 24 CFR (Code of Federal Regulations) 966.4(f)(12), requires under Section 6(1) that every lease signed by a resident of a public housing unit must contain a provision which authorizes the PHA to consider certain "criminal activity engaged in by the resident, members of their household, another person under the control of the resident, or their guests", including drug-related, *on or off* the PHA's premises to be "cause for termination of tenancy". This lease provision authorizes termination of the lease and eviction of all members of the household. Thus, any criminal activity that threatens the health, safety or right to peaceful enjoyment of the PHA's public housing premises by other residents may be cause for such termination. (See CFR 966.4(e)(2) Grounds for Termination). It is the policy of the PHA to terminate tenancy of any household where a member or guest engages in such criminal, drug-related or alcohol related activity.

The PHA retains the discretion to determine on a case-by-case basis whether or not the entire household or only the offending member(s) should be evicted for such criminal activity.

2. The PHA has a One Strike or "zero tolerance" policy with respect to violations of lease terms regarding criminal activity.

The following are some examples of said activities:

- a) Displaying a deadly weapon in connection with a verbal or nonverbal threat of bodily harm;
- b) Inflicting any injury upon another person through the intentional, reckless, careless or negligent use of a deadly weapon;
- c) Damaging any property through the intentional, reckless, careless or negligent use of a deadly weapon.

B. Consideration of Favorable Factors

In the event of the receipt of unfavorable information with respect to a tenant and or lease violations that could cause termination of tenancy, the PHA will give consideration to the time, nature, and extent of the applicant's conduct. The PHA will also consider factors that might indicate a reasonable probability of favorable future conduct, such as:

1. Evidence of successful completion of an appropriate rehabilitation program for drug alcohol-related problems (requiring certification from a health professional, or State certified program). The resident may be required to provide evidence of otherwise being rehabilitated successfully (i.e., on-going participation in AA, ALANON, or other drug/alcohol support group);

2. The seriousness of the offending action;
3. The effect on the community of denial or the failure of the PHA to take such action;
4. The extent of participation by the leaseholder in the offending action;
5. The effect of denial of admission on household members not involved in the offending action;
6. The demand for assisted housing by families who will adhere to lease responsibilities;
7. The extent to which the tenant has shown personal responsibility and taken all reasonable steps to prevent or mitigate the offending action;
8. The effect of the PHA's action on the integrity of the program;
9. The willingness of the tenant to exclude the offending household member in order to remain in the housing program, where the identified member has participated in or been culpable for action or failure to act that warrants denial;
10. Evidence of the tenant family's participation in or willingness to participate in social services or other appropriate counseling programs, and the availability of such programs.

C. Domestic Violence

1. The PHA may terminate or refuse to renew a lease to any household member who is a perpetrator of domestic violence or stalker.
2. The PHA retains the discretion to determine on a case-by-case basis whether or not the entire household or only the offending member(s) should be evicted for such criminal activity.
3. An incident or incidents of actual or threatened domestic violence, dating violence, sexual assault, or stalking will not be construed as a serious or repeated violation of the lease by the victim or threatened victim of that violence and shall not be good cause for terminating the assistance, tenancy, or occupancy rights of the victim of such violence. Criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking, engaged in by a member of a tenant's household or any guest or other person under the tenant's control shall not be cause for termination of assistance, tenancy, or occupancy rights if the tenant/participant or an immediate member of the tenant's family is the victim or threatened victim of that domestic violence. This does not limit the authority of the PHA to:
 - a) Terminate public housing assistance to individuals who engage in criminal acts of physical violence against family members or others.
 - b) Terminate public housing assistance to a tenant/participant for any violation of a lease not premised on the act or acts of violence in question against the tenant or a member of the tenant's household, provided that the public housing agency does not subject an individual who is or has been a victim of domestic violence, dating violence, sexual assault, or stalking to a more demanding standard than other tenants in determining whether to terminate.
 - c) Terminate public housing assistance to a tenant if the public housing agency can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property or PHA if that tenant is not evicted or terminated from assistance.

- d) Upon relocation of the household member who is the victim of domestic abuse or stalking, the PHA shall terminate the assistance of the remaining family if the perpetrator of the domestic abuse or stalking remains in the household.

D. Termination by Family

1. A resident may terminate their lease at any time, after completion of initial first year lease, but must provide the PHA thirty (30) days' notice in writing and should include a forwarding address for the PHA to return the resident's security deposit after the resident vacates the premises.
2. A notice of termination by the PHA or a resident may be given on any day of the month.

E. The PHA must provide residents a notice of termination as follows:

1. Fourteen (14) days in advance, in cases of failure to pay rent;
2. Three (3) days in advance, in cases of creation or maintenance of a threat to the health and safety of other residents, or PHA employees, or a reasonable time in excess of three (3) days considering the seriousness of the situation;
3. Thirty (30) days in advance in all other cases.
4. The notice shall state the specific reasons for termination and inform the residents they have a right to reply, examine relevant PHA documents, copy relevant documents at their expense, and request a grievance hearing. The lease termination notice shall:
 - a) State that the resident is entitled to a grievance hearing on the termination;
 - b) Specify the judicial eviction procedure to be used by the PHA for eviction of the resident, and state that HUD has determined that this eviction procedure provides the opportunity for a hearing that contains the basic elements of due process as defined in HUD regulations;
 - c) State whether the eviction is for a criminal activity as described in CFR 966.51(a)(2)(i)(A) or for a drug-related criminal activity as described in CFR 966.51(a)(2)(i)(B), or a pattern of alcohol abuse which threatens the health, safety or right to peaceful enjoyment of the premises by other residents or PHA employees.
5. HUD has issued a due process determination that the law of the State of Pennsylvania requires that the resident be given the opportunity for a hearing in court which provides the basic elements of due process (as defined in the Definition section of these policies) before eviction from a dwelling unit. Therefore, the PHA has elected to determine that this grievance procedure shall not be applicable to any termination of tenancy or eviction that involves:
 - a) Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents or employees of the PHA; or
 - b) Any violent or drug-related criminal activity on or off such premises; or
 - c) Any activity that resulted in felony conviction of a household member.
6. Any criminal activity is cause for termination of tenancy even in the absence of conviction or arrest.
7. Any repeated pattern of alcohol abuse which threatens the health, safety, or right to peaceful enjoyment of the premises by other residents or PHA employees.

8. The PHA's eviction notices to residents must be in writing, hand delivered or sent by certified mail, with a return receipt requested.
9. Notices under this grievance procedure shall be deemed delivered:
 - a) Upon personal service thereof to the complainant or an adult member (18 years of age or older) of the complainant's household;
 - b) Upon the date received for or refused by the addressee, in the case of certified or registered U.S. Mail; or
 - c) On the second day after the deposit thereof for mailing, postage prepaid, with the U.S. Postal Service, if mailed by first class mail other than certified or registered mail, unless the resident can prove that delivery of the notice, in fact, occurred at some other time.
10. If a resident is visually impaired, any notice delivered to such resident shall be in an accessible format.
11. The PHA will notify the local post office of residents evicted for criminal activity so that evicted persons will not return to the housing development to pick up their mail.

F. Future Eligibility for Assistance.

The PHA has established standards that prohibit and deny readmission of a previous resident and/or household member to the PHA's public housing program for certain drug, criminal and/or unfavorable family behaviors.

1. The PHA must prohibit and deny readmission to the PHA's public housing program for (*See also Denial of Admission*):
 - a) Persons evicted from federally-assisted housing for drug-related criminal activity for five (5) years from the date of the eviction;
 - b) Person engaging in illegal use of a drug;
 - c) Persons convicted of methamphetamine production;
 - d) Persons subject to sex offender registration requirement; and
 - e) Persons that abuse or show a pattern of abuse of alcohol.
2. The PHA may prohibit and deny readmission to the PHA's public housing program for (*See also Applicant Screening*):
 - a) An applicant's past performance in meeting financial obligations, especially rent and/or utility payments, including eviction from a PHA or any federally assisted housing program;
 - b) An applicant's previous lease violations, including the failure to comply with community service and self-sufficiency requirements;
 - c) An applicant who left owing a debt to the PHA or any other PHA or any federally assisted housing development (*See also Repayment Agreement for Families*);
 - d) A record of disturbance of neighbors, destruction of property, or living or housekeeping habits at any prior PHA public housing development which may have adversely affected the health, safety, or welfare of other tenants; and
 - e) A history of criminal activity involving crimes of physical violence to persons or property and other criminal acts which would have adversely affected the health, safety or welfare of other tenants.

The eligibility determination for readmission will be based on the circumstances of the applicant family at the time the family reapplies. The PHA may require an applicant to exclude a household member in order to be readmitted to the public housing program where that household member has participated in or been culpable for any actions described above.

In the event of unfavorable information with respect of an applicant, consideration shall be given to the time, nature and extent of the applicant's conduct, including seriousness of the offense.

NOTICE

The Nelrod Company has made its best efforts to comply with regulations, laws, and Federal/local policies. The Nelrod Company does not offer advice on legal matters or render legal opinions. We recommend that the Housing Authority's general counsel and/or attorney review this policy prior to approval by the Board of Commissioners.

The Nelrod Company is not responsible for any changes made to these policies by any party other than The Nelrod Company.

Appendix H: Grievance Procedures

**Oil City Housing Authority
Oil City, Pennsylvania**

Grievance Procedures

<p>Adopted by PHA Board of Commissioners</p> <p>Resolution No.: <u>396</u></p> <p>Date of Adoption: <u>9.21.17</u></p> <p>Effective Date of Implementation: <u>9.21.17</u></p>

Authorized Use by the Oil City Housing Authority

Grievance Procedures

A. Purpose and Scope

The purpose of these Grievance Procedures is to assure that the Oil City Housing Authority (hereinafter referred to as PHA) residents are afforded an opportunity for a hearing, if the resident disputes within a reasonable time, any PHA action or failure to act, involving the resident's lease, or PHA regulations which adversely affect the individual resident's rights, duties, welfare or status.

1. Additional areas covered by these procedures include the:
 - a) Community Service and Self-Sufficiency Requirements
 - b) Minimum rent hardship exemptions
 - c) Income changes resulting from welfare program requirements
 - d) Improper disclosure or inappropriate use of information obtained by the PHA through criminal records, sex offender registration records, drug abuse treatment facility records and domestic violence records.

The Grievance Procedure shall be applicable to all individual grievances as defined herein.

B. Governing Law

The law governing this grievance procedure is Section 6 (K) of the U.S. Housing Act of 1937 (42 U.S.C. sec. 1437 d (K) and subpart B of 24 CFR part 966 (24 CFR secs. 966.50-966.57).

C. Definitions

The following definitions of terms shall be applicable to this grievance procedure:

1. **Grievance**: Any dispute which a resident may have with respect to an action or a failure to act by the PHA in accordance with the individual resident's lease or PHA regulations, which adversely affects the individual resident's rights, duties, welfare or status.
2. **CFR**: The Code of Federal Regulations, which contains the federal regulations governing this grievance procedure.
3. **Complainant**: Any resident (as defined in this section below) whose grievance is presented to the PHA or at the project management office in accordance with the requirements set forth in this procedure.
4. **Drug-related criminal activity**: The illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute, or use a controlled substance, as defined in section 102 of the Controlled Substances Act (21 U.S.C. sec. 802) as from time to time amended.
5. **"Authority"**: Oil City Housing Authority, a body corporate organized and existing under the laws of the State of Pennsylvania.

6. Elements of Due Process: The following procedural safeguards are required to be followed in an eviction action or a termination of tenancy in a state or local court:
 - a) Adequate notice to the resident of the grounds for terminating the tenancy and for eviction;
 - b) Right of the resident to be represented by counsel;
 - c) Opportunity for the resident to refute the evidence presented by the PHA, including the right to confront and cross examine witnesses and to present any affirmative legal or equitable defense which the resident may have; and
 - d) A decision on the merits.
7. Hearing Officer or Hearing Panel: An impartial person or persons selected by the PHA, other than the person who made or approved the decision under review, or a subordinate of that person. Such individual or individuals do not need legal training.
8. HUD: The United States Department of Housing and Urban Development.
9. Notice: As used herein, the term notice shall, unless otherwise specifically provided, mean written notice.
10. The "Regulations": The HUD regulations contained in subpart B of 24 CFR sec. 966.
11. Resident organization: An organization of residents, which includes any resident management corporation.
12. Resident: The adult person (or persons) other than a live-in aid:
 - a) Who resides in the unit and who executed the lease with the PHA as lessee of the dwelling unit, or, if no such persons reside in the unit;
 - b) The person who resides in the unit, and who is the remaining head of the household of the resident family residing in the dwelling unit.
13. Business Days: Monday through Friday of each week, except for legal holidays recognized by the federal government and/or local city government.

D. Incorporation in Leases

This grievance procedure shall be included in, or incorporated by reference in, all dwelling leases between the residents and the PHA.

E. Exceptions

These procedures are applicable to all individual grievances, as defined in the PHA's Definitions section of these policies, between the resident and the PHA with the following exceptions:

1. The PHA's grievance procedures are not applicable to disputes between residents not involving the PHA, or to class grievances.
2. The grievance procedures are not intended as a forum for initiating or negotiating policy changes between a group or groups of residents and the PHA's Board of Commissioners; and

3. HUD has issued a due process determination that the law of the State of Pennsylvania requires that the resident be given the opportunity for a hearing in court that provides the basic elements of due process (as defined in the Definition section of these policies) before eviction from a dwelling unit. Therefore, the PHA has elected to determine that this grievance procedure shall not be applicable to any termination of tenancy or eviction that involves:
 - a) Any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other residents or employees of PHA; or
 - b) Any violent or drug-related criminal activity on or off such premises; or
 - c) Any criminal activity that resulted in felony conviction of a household member.

However, improper use of or disclosure of information obtained by the PHA through criminal records, sex offender registration records and drug abuse treatment facility records, may be the subject of a grievance by a tenant of the PHA.

F. Processing Grievances

The primary objective of this process is to settle grievances at the lowest level and as quickly as possible, and minimize impact upon the PHA's operations. Except as stated in paragraphs A. and B. above, the PHA's procedures shall afford each resident an opportunity for a hearing on a grievance, in accordance with the requirements, standards, and criteria contained in these procedures, with such modifications as are required by State law. The process for handling grievances is outlined below.

1. Informal Settlement of Grievance

- a) Grievances shall be personally presented, either orally or in writing, to the PHA's central office, or to the office of the development in which the complainant resides, so that the grievance may be discussed informally and settled without a hearing. This notice should be given within thirty (30) business days after the occurrence giving rise to the grievance.
- b) A summary of such discussion shall be prepared within five (5) business days. One copy shall be given to the resident and one shall be retained in the PHA's resident file.

The summary shall specify the names of the participants, dates of the meetings, nature of the complaint, the proposed disposition of the complaint, and the specific reasons therefore, and the procedures by which a hearing may be obtained if the resident is not satisfied.

- c) The summary shall specify:
 - (1) The names of the participants,
 - (2) Dates of the meetings,
 - (3) The nature of the proposed disposition of the complainant and the specific reasons therefore,
 - (4) The rights of the complainant to a hearing, and

- (5) The procedures by which a hearing may be obtained if the resident is not satisfied.
- d) The PHA shall specifically include notice to the complainant of the following:
 - (1) The time limit to request a grievance hearing;
 - (2) The grievance will be heard by a hearing officer or a hearing panel, and the procedures for selecting the hearing officer or hearing panel;
 - (3) What specifically must be included in the complainant's written request for a grievance, as provided in paragraph 1.b of the PHA's Procedures to Obtain a Hearing;
 - (4) If the complainant fails to request a hearing within the required time period (5 business days) after receiving the summary, the PHA's decision rendered at the Informal Settlement conference becomes final. However, the complainant does not waive the right to contest the PHA's action in an appropriate judicial proceeding;
 - (5) The complainant's rights to be represented by counsel or other representative at the grievance hearing; and
 - (6) The complainant requesting a hearing has a right to examine any PHA documents relevant to the hearing, including records and regulations. The complainant shall be allowed to obtain a copy from the PHA of any such documentation at the complainant's expense, as stated in the "Charges in Addition to Rent" schedule.

G. Procedures to Obtain a Hearing

1. Request for a Hearing:

- a) The complainant shall submit a written request for a hearing to the PHA, or to the development office, within five (5) business days after receipt of the written summary of the Informal Settlement conference.
- b) The written request shall specify:
 - (1) The reasons for the grievance;
 - (2) The action or relief sought;
 - (3) The complainant's statement setting forth the times at which the complainant will be available for a hearing during the next ten (10) business days;
 - (4) Complainant's preference, if any, concerning whether the grievance should be heard by a single hearing officer or by a hearing panel.
- c) If the complainant fails to request a hearing within five (5) business days after receiving the written summary of the Informal Settlement conference, the PHA's decision rendered at the Informal Settlement conference becomes final and the PHA is not thereafter obligated to offer the complainant a hearing.
- d) Should the complainant fail to request a hearing, such failure shall not constitute a waiver by the complainant of his/her right thereafter to contest the PHA's action in disposing of the complaint in an appropriate judicial proceeding.

H. Selection of Hearing Officer or Hearing Panel:

1. Grievances shall be presented before a hearing officer or hearing panel.
2. The hearing officer or hearing panel shall be an impartial, disinterested person selected by the PHA. The hearing officer or hearing panel shall not be:
 - a) The person who made or approved the decision, or
 - b) A subordinate of the person who made or approved the decision.

I. Hearing Prerequisite:

1. All grievances shall be personally presented, either orally or in writing, pursuant to the informal procedure prescribed in the paragraph on Informal Settlement of Grievance as a condition precedent to a hearing under this section.
2. If the complainant shows good cause why he/she failed to proceed in accordance with the paragraph on Informal Settlement of Grievance, the provisions of this subsection may be waived by the hearing officer or hearing panel.

J. Escrow Deposit:

1. Before a hearing is scheduled in any grievance involving the amount of Tenant Rent which the PHA claims is due, the resident shall pay into an escrow account, an amount equal to the amount of the Tenant Rent due and payable as of the first of the month preceding the month in which the act or failure to act took place.
2. The resident shall thereafter deposit the same amount of the Tenant Rent into that escrow account monthly, until the complaint is resolved by decision of the hearing officer or hearing panel.
3. The PHA may waive these requirements in extenuating circumstances. Unless so waived, failure to make such payments shall result in termination of the grievance procedures.
4. Failure to make payment shall not constitute a waiver of any right the resident may have to contest the PHA's disposition of the resident's grievance in any appropriate judicial proceeding.
5. Escrow deposits are not required for grievances related to minimum rent hardships and welfare reductions.

K. Scheduling Hearings:

1. The hearing officer or hearing panel shall promptly schedule the hearing, for a time and place reasonably convenient to both the complainant and the PHA, upon the complainant's compliance with the above requirements.
2. A written notification specifying the time, place, and the procedures governing the hearing shall be delivered to the complainant and the appropriate PHA official.
3. The hearing may be conducted through electronic communications such as teleconference or web meetings.

L. Procedures Governing the Hearing

1. Official or Panel: The hearing shall be held before a hearing officer or a hearing panel, as appropriate.
2. Safeguards of Due Process: The complainant shall be afforded a fair hearing providing the basic safeguards of due process, which include the following:
 - a) The opportunity to examine documents before the hearing, and to copy all documents, records, and regulations of the PHA that are relevant to the hearing at the expense of the complainant. Any requested document not made available to the complainant may not be relied on by the PHA at the hearing;
 - b) The right to be represented by counsel or other person chosen as the complainant's representative;
 - c) The right to a private hearing, unless the complainant requests a public hearing;
 - d) The right to present evidence and arguments in support of the complainant's complaint, to controvert evidence relied on by the PHA or development management, and to confront and cross examine all witnesses on whose testimony or information the PHA or development management relies; and
 - e) A decision based solely and exclusively upon the facts presented at the hearing.

M. Previous Decision

The hearing officer or hearing panel may render a decision without proceeding with the hearing, if the hearing officer or hearing panel determines that the issue has been previously decided in another proceeding.

N. Failure to Appear:

1. If the complainant or the PHA fails to appear at a scheduled hearing, the hearing officer or hearing panel may make a determination to postpone the hearing, for a period not to exceed five (5) business days, or may make a determination that the party has waived his or her right to a hearing.
2. The hearing officer or hearing panel shall notify both the complainant and the PHA of the determination.
3. A determination that the complainant has waived his or her right to a hearing shall not constitute a waiver of any right the complainant may have to contest the PHA's disposition of the grievance in an appropriate judicial proceeding.

O. Entitlement and Justification:

1. At the hearing, the complainant must first make a showing of an entitlement to the relief sought.
2. Thereafter, the PHA must sustain the burden of justifying the PHA's action or failure to act against which the complaint is directed.

P. Conduct of the Hearing:

1. The hearing shall be conducted informally by the hearing officer or hearing panel.
2. Oral or documentary evidence pertinent to the facts and issues raised by the complainant may be received without regard to admissibility under the rules of evidence applicable to judicial proceedings.
3. The hearing officer or hearing panel shall require the PHA, the complainant, legal counsel, and other participants or spectators to conduct themselves in an orderly fashion. Failure to comply with the directions of the hearing officer or hearing panel to obtain order may result in exclusion from the proceedings, or in a decision adverse to the interests of the disorderly party, and granting or denial of the relief sought, as appropriate.

Q. Transcript:

1. The complainant or the PHA may arrange, in advance and at the expense of the party making the arrangement, for a transcript of the hearing.
2. Any interested party may purchase a copy of such transcript.

R. Accommodation to Persons with Disabilities

The PHA will provide reasonable accommodation for persons with disabilities throughout the grievance process.

This includes, but is not limited to, accommodating tenants with disabilities by accepting grievances at alternate sites or by mail, having PHA staff reduce an oral request for a grievance to writing for a tenant with a disability who cannot write due to the disability, and providing accommodations in the grievance hearing itself by providing qualified sign language interpreters, readers, accessible locations or attendants.

If the resident is visually impaired, any notice to the resident which is required under this section must be in an accessible format.

S. Limited English Proficiency

The PHA must comply with HUD's "Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons" issued on January 22, 2007 and available at http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/promotin_gfh/lep-faq.

T. Decision of the Hearing Officer or Hearing Panel

1. The hearing officer or hearing panel shall prepare a written decision, together with the reasons therefore, within a reasonable time after the hearing (usually within 10 business days).
2. A copy of the decision shall be sent to the complainant and the PHA.
3. The PHA shall retain a copy of the decision in the resident's folder.

4. The PHA must maintain a log of all hearing officer or hearing panel decisions and make it available upon request of the hearing officer or hearing panel, a prospective complainant, or a prospective complainant's representative. At a minimum, the log must include:
 - a) The date of the hearing decision,
 - b) The general reason for the grievance hearing (failure to pay rent, CSSR noncompliance, etc.), and
 - c) Whether the decision was in the favor of the complainant or the PHA

U. Subsequent Actions

The decision of the hearing officer or hearing panel shall be binding on the PHA, which shall take all actions, or refrain from any actions, necessary to carry out the decision, unless the Board of Commissioners determines, within ten (10) business days, and promptly notifies the complainant of its determination, that:

1. The grievance does not concern PHA action or failure to act in accordance with or involving the complainant's lease or PHA regulations, which adversely affect the complainant's rights, duties, welfare, or status; and
2. The decision of the hearing officer or hearing panel is contrary to applicable Federal, State, or local law, HUD regulations, or requirements of the Annual Contributions Contract between HUD and the PHA.

V. Judicial Proceedings

A decision by the hearing officer, hearing panel, or Board of Commissioners, in favor of the PHA, or which denies the relief requested by the complainant, in whole or in part, shall not constitute a waiver of, nor affect in any manner whatever, any rights the complainant may have to a trial de novo or judicial review in any judicial proceedings, which may thereafter be brought in the matter.

W. PHA Notice

Notices under this grievance procedure shall be deemed delivered:

1. Upon personal service thereof to the complainant or an adult member (18 years of age or older) of the complainant's household;
2. Upon the date receipted for or refused by the addressee, in the case of certified or registered U.S. Mail; or
3. On the second business day after first class mailing, with the U.S. Postal Service.

X. Concurrent Notice

If a complainant has filed a request for grievance hearing in a case involving the PHA's notice of termination of tenancy, the complainant should be aware that the State law notice to vacate and the notice of termination of tenancy required under Federal law can run concurrently.

If the hearing officer or hearing panel upholds the PHA's action to terminate the tenancy, the PHA may commence an eviction action in court by the later of:

1. The expiration of the date for termination of tenancy and vacation of premises stated in the delivered termination notice, or
2. The delivery of the report of decision of the hearing officer or panel to complainant.

Y. Modification

This grievance procedure may not be amended or modified except by approval of a majority of the Board of Commissioners of the PHA, present at a regular meeting or a special meeting called for such purposes.

1. The PHA must provide for at least thirty (30) days advance notice to residents and resident organizations of any changes proposed to be made to this grievance procedure, setting forth the proposed changes and providing an opportunity to present written comments.
2. The PHA shall consider any comments submitted before final adoption of any amendments.

NOTICE

The Nelrod Company has made its best efforts to comply with regulations, laws, and Federal/local policies. The Nelrod Company does not offer advice on legal matters or render legal opinions. We recommend that the Housing Authority's general counsel and/or attorney review this policy prior to approval by the Board of Commissioners.

The Nelrod Company is not responsible for any changes made to these policies by any party other than The Nelrod Company.

Appendix I: Transfers and Transfer Waiting List

Oil City Housing Authority Oil City, Pennsylvania

TRANSFERS AND TRANSFER WAITING LIST

Adopted by PHA Board of Commissioners

Resolution No.: 396

Date of Adoption: 9.21.17

Effective Date of Implementation: 9.21.17

Authorized Use by the Oil City Housing Authority

Transfers and Transfer Waiting List

Transfer means the movement of a resident from one dwelling unit to another. The PHA may require a resident to move, permit a resident to move, or physically help a resident to move, depending on the circumstances in each particular case. This policy is incorporated into the Admissions and Continued Occupancy policy by reference. The Oil City Housing Authority (herein referred to as PHA) policies and procedures for transferring residents from one dwelling unit to another are as follows.

A. Non-discrimination

The PHA will not discriminate against any person at any stage of the transfer process because of race, color, religion, sex, age, creed, disability, familial status, or national origin. The PHA will abide by the non-discrimination requirements of the following laws and Executive Orders. (24 CFR 960.203)

1. Title VI of the Civil Rights Act of 1964 (42 U.S.C. 200d), which prohibits discrimination based on race, color, or national origin in programs receiving Federal financial assistance. (24 CFR part 1)
2. The Fair Housing Act of 1988 (42 U.S.C. 3601-3619), also prohibits discrimination in housing practices based on disability in residential real estate-related transactions. (24 CFR parts 100, 108, 109, & 110)
3. Executive Order 11063 on Equal Opportunity Housing. (24 CFR part 107)
4. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination based on disability in programs receiving Federal financial assistance. (24 CFR part 8)
5. The Age Discrimination Act of 1975 (42 U.S.C. 6101-6107), which prohibits discrimination based on age in programs receiving Federal financial assistance. (24 CFR part 146)
6. Title II of the Americans with Disabilities Act (42 U.S.C. 12101-12213).

B. Types of Transfers

1. This policy sets forth several categories of transfers. Priority for transfer and the order in which families are transferred shall be subject to the hierarchy by category set forth below.
 - a) **Emergency transfers** are mandatory when the unit or building conditions pose an immediate threat to resident life, health or safety, as determined by PHA. Any condition requiring an emergency work order may be defined as an emergency if repairs cannot be made within 24 hours. Emergency transfers within sites or between sites may be made to:
 - (1) Permit repair of unit defects hazardous to life, health, or safety;
 - (2) Alleviate verified medical problems of a life-threatening nature; or
 - (3) Protect members of the household from attack by the criminal element in a particular property or neighborhood, based on threat assessment by a law enforcement agency.

These transfers shall take priority over new admissions.

- b) **Category 1- Administrative Transfers** include mandatory transfers to remove to safety residents who are witnesses to crimes and may face reprisals (as documented by a law enforcement agency):

- (1) Provide housing options to residents who are victims of hate crimes or extreme harassment;
- (2) Alleviate verified medical problems of a serious nature;
- (3) Permit modernization of units;
- (4) Permit a family that requires a unit with accessible features to occupy such a unit.

These transfers shall take priority over new admissions.

Requests for medical transfers will be made to the manager. The resident shall provide the manager with the necessary documentation to substantiate the need for a medical transfer. The PHA may also offer medical transfers (e.g., moving a person with mobility problems to a unit with accessible features).

- c) **Category 2 Administrative Transfers.** Transfers within sites or between sites may be made to:

- (1) Correct occupancy standards (mandatory: over or under the PHA's occupancy standards);
- (2) Offer incentive transfers (voluntary) as described below.

These transfers will take priority over new admissions.

Category 2 transfers to correct occupancy standards will only be made if the family size is smaller than the PHA's minimum-number-of-persons-per-unit standard for the household or larger than the maximum-number-of-persons-per-unit standard for the unit the family is occupying. These transfers are mandatory.

If a family's size is between the minimum and maximum occupancy limits for the unit, the family may request a transfer, but it shall be considered a Category 3 transfer.

- d) **Category 3 Administrative Transfers.** Mandatory transfers within sites or between sites may be made to:

- (1) Correct and avoid concentration of the most economically and socially deprived families;
- (2) Correct occupancy standards (voluntary if the family is between the minimum and maximum occupancy standard but the family requests a transfer, e.g. to permit older children of opposite sexes to have separate bedrooms);
- (3) Address situations that are not criminal but interfere with the peaceful enjoyment of the unit or common areas such as neighbor disputes.

These transfers will not take priority over new admissions.

Whenever feasible, transfers will be made within a resident's area.

C. Processing Transfers

1. The Occupancy Division will administer a centralized transfer waiting list. Managers are responsible for submitting requests for transfers including necessary documentation, to the central transfer administrator.
2. The central transfer administrator will sort requests for transfer into categories.
3. Admissions will be made in the following order:
 - a) First emergency transfers; then
 - b) Category 1 Administrative Transfers; then
 - c) Category 2 Administrative Transfers; and finally
 - d) Applicants.

Within each category, transfer applications will be sorted by the date the completed file (including any verification needed) is received from the manager.

4. Category 2 transfers to correct occupancy standards may be recommended at the time of reexamination or interim redetermination. This is the only method used to determine over/under-housed status.
5. Residents in a Category 2 over/under housed status will be advised in their thirty (30) day "Notice of Result of Reexamination" that a transfer is recommended and that the family has been placed on the transfer list.
6. Interviewers will record transfer recommendations in duplicate for each manager affected by the transfer.
7. When a head of a household, originally housed in a bedroom by him/herself, has or adopts a child, the family will not be approved for a Category 2 transfer until the child is two (2) years of age. Exceptions: spouse or partner returns to the unit, marriage takes place, or the family decides to remain in the unit and the unit is large enough (using the maximum-persons-per-unit standard) to accommodate the number of persons now in the household. (Other than for births that occur during tenancy, PHA's prior approval of additions to the household is required.)
8. Split-family transfers to resolve under-housing may be processed as Category 2 administrative transfers. Families that split into two "new" households will be transferred to two different units or a portion of the "old" household may be transferred to a single unit depending on family circumstances and unit availability. Options for split-family transfers will be considered in order to minimize the impact on vacant units.
9. Category 3 transfers will only be processed after all other transfers have been accomplished.

D. Good Record Requirement for Transfers

1. In general, and in all cases of resident-requested transfers, residents will be considered for transfers only if they:
 - a) Have not engaged in criminal activity that threatens the health and safety of residents and staff;
 - b) Do not owe back rent or other charges, or evidence a pattern of late payment; and

- c) Meet reasonable housekeeping standards and have no housekeeping lease violations.
2. Exceptions to the good record requirements will be made for emergency transfers and to provide accessible housing or when it is to the PHA's advantage (e.g. a single person is living alone in a 3-bedroom unit and does not want to move) to move forward with the transfer. The determination to make an exception to the good record requirement will be made by the central transfer administrator with recommendation by the Manager.
3. Absent a determination of exception the following policy applies to transfers:
 - a) If back rent is owed the resident will not be transferred until a payment plan is established or, if prior payment plans have failed, back rent is paid-in-full.
 - b) A resident with housekeeping standards violations will not be transferred until he/she passes a follow-up housekeeping inspection.

E. Incentive Transfers

1. Incentive transfers are offered to residents without regard to their race, color, national origin, religion, sex, disability, or familial status, who have good rental histories and want to move to units other than those they currently occupy.
 - a) Incentive Transfers - The PHA will occupy recently modernized and scattered site units through incentive transfers. No applicants shall be admitted directly to scattered site units. Depending on the PHA's vacant unit status, modernized units will be filled with incentive transfers, new applicants, or a combination of both. The PHA reserves the right to fill modernization units in a manner that has the least impact on vacant units.
 - b) Resident requests for incentive transfers should be made to the Housing Manager. Managers may also recommend a resident for an incentive transfer. In order for a resident to be considered for an incentive transfer the following conditions must be met:
 - (1) Residency in a PHA development for at least three (3) years;
 - (2) No repayment agreement or unpaid balance at any time in the past two (2) years;
 - (3) No history of disturbances that resulted in lease violations or violence toward staff or neighbors as indicated by notices of lease violation in the applicant's file;
 - (4) Good housekeeping record.
2. Incentive Transfers are Category 2 administrative transfers. Scattered site incentive transfers will take precedence over new admissions and modernization incentive transfers may take precedence over new admissions.
3. No exceptions will be granted to the good record requirement for incentive transfers.

F. Cost of Transfers

The PHA will pay the reasonable cost of transfers initiated by the PHA due to demolition, disposition, revitalization, or rehabilitation; transfers required because of building system failure or other emergency condition the PHA is unable to repair in a timely manner; and transfers required as a reasonable accommodation for residents with disabilities. Resident will bear the cost for transfers due to change in family composition, moving to a non-accessible unit (when accessibility features are not required by the family,) however, where there is a hardship the manager may recommend that families be reimbursed their out-of-pocket expenses.

G. Notice of Transfer

Resident families that are to be transferred will be given a thirty (30)-day notice, said time period to commence at the approximate time of delivery of the Notice of Transfer. The notices shall be: (1) hand-delivered, and (2) mailed, both prepaid first-class mail and certified mail.

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Appendix J: Housekeeping Standards Policy

**Oil City Housing Authority
Oil City, Pennsylvania**

Housekeeping Standards Policy

Adopted by PHA Board of Commissioners
Resolution No.: 396
Date of Adoption: 9.21.17
Effective Date of Implementation: 9.21.17

Authorized Use by the Oil City Housing Authority

Housekeeping Standards Policy

In an effort to improve the livability and conditions of the apartments owned and managed by the Authority, uniform standards for resident housekeeping have been developed for all resident families.

A. Authority Responsibility

The standards that follow will be applied fairly and uniformly to all Residents. The Authority will inspect each unit at least annually, to determine compliance with the standards. Upon completion of an inspection the Authority will notify the Resident in writing if he/she fails to comply with the standards. The Authority will advise the Resident of the correction(s) required to establish compliance. Within a reasonable period of time, the Authority will schedule a second inspection. Failure of a second inspection will constitute a violation of the Lease terms.

B. Resident Responsibility

The Resident is required to abide by the standards set forth below. Failure to abide by the Housekeeping Standards is a violation of the Lease terms and can result in eviction.

C. Interior Standards

1. General:

- a) **Walls:** should be clean, free of dirt, grease, holes, cobwebs, and fingerprints.
- b) **Floors:** should be clean, clear, and free of hazards.
- c) **Ceilings:** should be clean and free of cobwebs.
- d) **Light Fixtures:** should be free of any dust build-up; light covers in place and not broken.
- e) **Windows:** should be clean and not nailed shut. Shades should be intact.
- f) **Woodwork:** should be clean, free of dust, gouges, or scratches.
- g) **Doors:** should be clean, free of grease and fingerprints. Doorstops should be present. Locks should work.
- h) **Heating units & Water Heater Closet:** should be accessible (no locks, no clutter) dusted and not used for storage.
- i) **Infestation:** No evidence of rodents or insect infestation; bait stations and traps clean.
- j) **Electric Hazards:** No electrical cords running loosely across floors; no overloads, no hazards.
- k) **Trash:** shall be disposed of properly and not left in the unit.
- l) **Evidence of Pet:** litter box, cage, and/or fish tank clean and odor free; no evidence of urine or damage caused by pet.

2. Kitchen:

- a) **Stove:** should be clean and free of food and grease; no aluminum foil under heating elements; not cooking oil stored on top or in oven.

- b) **Refrigerator:** should be clean. Freezer door should close properly and freezer have no more than one inch of ice. No stickers (decals) on refrigerators.
 - c) **Cabinets:** should be clean and neat. Cabinet surfaces and countertops should be free of grease and spilled food. Cabinets should not be overloaded. Storage under the sink should be limited to small or lightweight items to permit access for repairs. Do not store heavy pots and pans under the sink.
 - d) **Exhaust Fan:** should be free of grease and dust.
 - e) **Sink:** should be clean, free of grease and garbage. Dirty dishes should be washed and put away in a timely manner.
 - f) **Food storage areas:** should be neat and clean without spilled food.
 - g) **Trash/garbage:** should be stored in a covered container until removed to the disposal area.
3. Bathroom(s):
- a) **Toilet and tank:** should be clean and odor free.
 - b) **Tub and shower:** should be clean and free of excessive mildew and mold. Where applicable, **shower curtains** should be in place, and of adequate length.
 - c) **Lavatory/Countertop:** should be clean.
 - d) **Exhaust fans:** should be free of dust.
4. Storage Areas:
- a) **Linen closet:** should be neat and clean.
 - b) **Other closets:** should be neat and clean. No flammable materials should be stored in the unit.
 - c) **Other storage areas:** should be clean, neat and free of hazards.

D. Exterior Standards

The following standards apply to family and scattered site developments only; some standards apply only when the area noted is for the exclusive use of the Resident:

- 1. **Yards/Grassy Area:** should be free of debris, trash, indoor furniture and abandoned cars. Grass must be kept mowed 4" or under in height.
- 2. **Exterior walls:** should be free of graffiti.
- 3. **Porches (front and rear):** should be clean and free of hazards. Any items stored on the porch shall not impede access to the unit.
- 4. **Steps (front and rear):** should be clean, and free of hazards.
- 5. **Sidewalks:** should be clean and free of hazards including removal of snow.
- 6. **Storm/Screen Doors:** should be clean; glass intact; no damage
- 7. **Parking Area:** should be free of abandoned cars. There should be no car repair in the lots.
- 8. **Hallway/Stairwell:** should be swept clean and free of debris; free of any tripping hazards.
- 9. **Laundry Area:** should be swept clean; no soiled laundry piled up; lint removed from dryer; dryer vented to outside.

10. Utility/Storage Area: should be free of trash; no vehicle parts stored; no flammable materials.
11. Discarded Food/Grease: No evidence of grease or food disposed of outside of unit; no feeding dishes for animals outside of unit
12. Other: Laundry and yard tools should not be left out overnight.

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Appendix K: IRS Publication 502 – Medical and Dental Expenses



Department of the Treasury
Internal Revenue Service

Publication 502

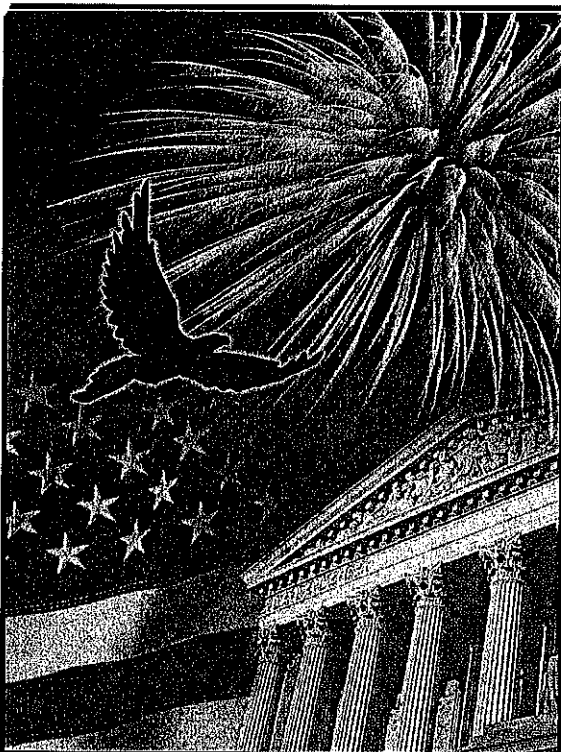
Cat. No. 15002Q

Medical and Dental Expenses

(Including the Health Coverage Tax Credit)

For use in preparing

2016 Returns



Get forms and other information faster and easier at:

- IRS.gov (English)
- IRS.gov/Korean (한국어)
- IRS.gov/Spanish (Español)
- IRS.gov/Russian (Русский)
- IRS.gov/Chinese (中文)
- IRS.gov/Vietnamese (Tiếng Việt)

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Future Developments

For the latest information about developments related to Pub. 502, such as legislation enacted after it was published, go to IRS.gov/pub502.

What's New

Standard mileage rate. The standard mileage rate allowed for operating expenses for a car when you use it for medical reasons is 19 cents per mile. See [Transportation](#) under *What Medical Expenses Are Includible*.

Reminders

Health coverage tax credit (HCTC). The HCTC, which expired at the end of 2013, has been reinstated retroactive to January 1, 2014. See [Health Coverage Tax Credit](#), and Form 8885 and its instructions.

Photographs of missing children. The Internal Revenue Service is a proud partner with the National Center for Missing and Exploited Children. Photographs of missing

expenses you charge to your credit card in the year the charge is made, not when you actually pay the amount charged.

If you didn't claim a medical or dental expense that would have been deductible in an earlier year, you can file Form 1040X, Amended U.S. Individual Income Tax Return, for the year in which you overlooked the expense. Don't claim the expense on this year's return. Generally, an amended return must be filed within 3 years from the date the original return was filed or within 2 years from the time the tax was paid, whichever is later.

You can't include medical expenses that were paid by insurance companies or other sources. This is true whether the payments were made directly to you, to the patient, or to the provider of the medical services.

Separate returns. If you and your spouse live in a non-community property state and file separate returns, each of you can include only the medical expenses each actually paid. Any medical expenses paid out of a joint checking account in which you and your spouse have the same interest are considered to have been paid equally by each of you, unless you can show otherwise.

Community property states. If you and your spouse live in a community property state and file separate returns or are registered domestic partners in Nevada, Washington, or California, any medical expenses paid out of community funds are divided equally. Generally, each of you should include half the expenses. If medical expenses are paid out of the separate funds of one individual, only the individual who paid the medical expenses can include them. If you live in a community property state and aren't filing a joint return, see Pub. 555.

How Much of the Expenses Can You Deduct?

Generally, you can deduct on Schedule A (Form 1040) only the amount of your medical and dental expenses that is more than 10% of your AGI. But if either you or your spouse was born before January 2, 1952, you can deduct the amount of your medical and dental expenses that is more than 7.5% of your AGI.

Death before age 65. A taxpayer is considered to be age 65 on the day before the taxpayer's 65th birthday. If the taxpayer wasn't age 65 or older at the time of death, the 7.5% threshold doesn't apply for that taxpayer or the spouse of that taxpayer who is under age 65. For example, a taxpayer who was born on February 14, 1951 dies on February 13, 2016. The taxpayer is considered age 65 at the time of death and the 7.5% threshold applies. However, if the taxpayer died on February 12, 2016, the taxpayer isn't considered age 65 and the 7.5% threshold doesn't apply.

Example. You are unmarried and were born after January 2, 1952, and your AGI is \$40,000, 10% of which is

\$4,000. You paid medical expenses of \$2,500. You can't deduct any of your medical expenses because they aren't more than 10% of your AGI.

Whose Medical Expenses Can You Include?

You can generally include medical expenses you pay for yourself, as well as those you pay for someone who was your spouse or your dependent either when the services were provided or when you paid for them. There are different rules for decedents and for individuals who are the subject of multiple support agreements. See *Support claimed under a multiple support agreement*, later, under *Qualifying Relative*.

Spouse

You can include medical expenses you paid for your spouse. To include these expenses, you must have been married either at the time your spouse received the medical services or at the time you paid the medical expenses.

Example 1. Mary received medical treatment before she married Bill. Bill paid for the treatment after they married. Bill can include these expenses in figuring his medical expense deduction even if Bill and Mary file separate returns.

If Mary had paid the expenses, Bill couldn't include Mary's expenses in his separate return. Mary would include the amounts she paid during the year in her separate return. If they filed a joint return, the medical expenses both paid during the year would be used to figure their medical expense deduction.

Example 2. This year, John paid medical expenses for his wife Louise, who died last year. John married Belle this year and they file a joint return. Because John was married to Louise when she received the medical services, he can include those expenses in figuring his medical expense deduction for this year.

Dependent

You can include medical expenses you paid for your dependent. For you to include these expenses, the person must have been your dependent either at the time the medical services were provided or at the time you paid the expenses. A person generally qualifies as your dependent for purposes of the medical expense deduction if both of the following requirements are met.

1. The person was a qualifying child (defined later) or a qualifying relative (defined later), and
2. The person was a U.S. citizen or national or a resident of the United States, Canada, or Mexico. If your qualifying child was adopted, see *Exception for adopted child*, later.

anyone. However, you can include the entire unreimbursed amount you paid for medical expenses.

Example. You and your three brothers each provide one-fourth of your mother's total support. Under a multiple support agreement, you treat your mother as your dependent. You paid all of her medical expenses. Your brothers repaid you for three-fourths of these expenses. In figuring your medical expense deduction, you can include only one-fourth of your mother's medical expenses. Your brothers can't include any part of the expenses. However, if you and your brothers share the nonmedical support items and you separately pay all of your mother's medical expenses, you can include the unreimbursed amount you paid for her medical expenses in your medical expenses.

Decedent

Medical expenses paid before death by the decedent are included in figuring any deduction for medical and dental expenses on the decedent's final income tax return. This includes expenses for the decedent's spouse and dependents as well as for the decedent.

The survivor or personal representative of a decedent can choose to treat certain expenses paid by the decedent's estate for the decedent's medical care as paid by the decedent at the time the medical services were provided. The expenses must be paid within the 1-year period beginning with the day after the date of death. If you are the survivor or personal representative making this choice, you must attach a statement to the decedent's Form 1040 (or the decedent's amended return, Form 1040X) saying that the expenses haven't been and won't be claimed on the estate tax return.



Qualified medical expenses paid before death by the decedent aren't deductible if paid with a tax-free distribution from any Archer MSA, Medicare Advantage MSA, or health savings account.

What if the decedent's return had been filed and the medical expenses weren't included? Form 1040X can be filed for the year or years the expenses are treated as paid, unless the period for filing an amended return for that year has passed. Generally, an amended return must be filed within 3 years of the date the original return was filed, or within 2 years from the time the tax was paid, whichever date is later.

Example. John properly filed his 2015 income tax return. He died in 2016 with unpaid medical expenses of \$1,500 from 2015 and \$1,800 in 2016. If the expenses are paid within the 1-year period, his survivor or personal representative can file an amended return for 2015 claiming a deduction based on the \$1,500 medical expenses. The \$1,800 of medical expenses from 2016 can be included on the decedent's final return for 2016.

What if you pay medical expenses of a deceased spouse or dependent? If you paid medical expenses for your deceased spouse or dependent, include them as medical expenses on your Schedule A (Form 1040) in the

year paid, whether they are paid before or after the decedent's death. The expenses can be included if the person was your spouse or dependent either at the time the medical services were provided or at the time you paid the expenses.

What Medical Expenses Are Includible?

Following is a list of items that you can include in figuring your medical expense deduction. The items are listed in alphabetical order.

This list doesn't include all possible medical expenses. To determine if an expense not listed can be included in figuring your medical expense deduction, see *What Are Medical Expenses*, earlier.

Abortion

You can include in medical expenses the amount you pay for a legal abortion.

Acupuncture

You can include in medical expenses the amount you pay for acupuncture.

Alcoholism

You can include in medical expenses amounts you pay for an inpatient's treatment at a therapeutic center for alcohol addiction. This includes meals and lodging provided by the center during treatment.

You can also include in medical expenses amounts you pay for transportation to and from Alcoholics Anonymous meetings in your community if the attendance is pursuant to medical advice that membership in Alcoholics Anonymous is necessary for the treatment of a disease involving the excessive use of alcoholic liquors.

Ambulance

You can include in medical expenses amounts you pay for ambulance service.

Annual Physical Examination

See *Physical Examination*, later.

Artificial Limb

You can include in medical expenses the amount you pay for an artificial limb.

Worksheet A. Capital Expense Worksheet

Keep for Your Records



Instructions: Use this worksheet to figure the amount, if any, of your medical expenses due to a home improvement.

1. Enter the amount you paid for the home improvement 1. _____
2. Enter the value of your home immediately after the improvement 2. _____
3. Enter the value of your home immediately before the improvement 3. _____
4. Subtract line 3 from line 2. This is the increase in the value of your home due to the improvement 4. _____
 - If line 4 is more than or equal to line 1, you have no medical expenses due to the home improvement; stop here.
 - If line 4 is less than line 1, go to line 5.
5. Subtract line 4 from line 1. These are your medical expenses due to the home improvement 5. _____

Operation and upkeep. Amounts you pay for operation and upkeep of a capital asset qualify as medical expenses, as long as the main reason for them is medical care. This rule applies even if none or only part of the original cost of the capital asset qualified as a medical care expense.

Improvements to property rented by a person with a disability. Amounts paid to buy and install special plumbing fixtures for a person with a disability, mainly for medical reasons, in a rented house are medical expenses.

Example. John has arthritis and a heart condition. He can't climb stairs or get into a bathtub. On his doctor's advice, he installs a bathroom with a shower stall on the first floor of his two-story rented house. The landlord didn't pay any of the cost of buying and installing the special plumbing and didn't lower the rent. John can include in medical expenses the entire amount he paid.

Car

You can include in medical expenses the cost of special hand controls and other special equipment installed in a car for the use of a person with a disability.

Special design. You can include in medical expenses the difference between the cost of a regular car and a car specially designed to hold a wheelchair.

Cost of operation. The includible costs of using a car for medical reasons are explained under *Transportation*, later.

Chiropractor

You can include in medical expenses fees you pay to a chiropractor for medical care.

Christian Science Practitioner

You can include in medical expenses fees you pay to Christian Science practitioners for medical care.

Contact Lenses

You can include in medical expenses amounts you pay for contact lenses needed for medical reasons. You can also include the cost of equipment and materials required for using contact lenses, such as saline solution and enzyme cleaner. See *Eyeglasses* and *Eye Surgery*, later.

Crutches

You can include in medical expenses the amount you pay to buy or rent crutches.

Dental Treatment

You can include in medical expenses the amounts you pay for the prevention and alleviation of dental disease. Preventive treatment includes the services of a dental hygienist or dentist for such procedures as teeth cleaning, the application of sealants, and fluoride treatments to prevent tooth decay. Treatment to alleviate dental disease include services of a dentist for procedures such as X-rays, fillings, braces, extractions, dentures, and other dental ailments. But see *Teeth Whitening* under *What Expenses Aren't Includible*, later.

Diagnostic Devices

You can include in medical expenses the cost of devices used in diagnosing and treating illness and disease.

Example. You have diabetes and use a blood sugar test kit to monitor your blood sugar level. You can include the cost of the blood sugar test kit in your medical expenses.

Disabled Dependent Care Expenses

Some disabled dependent care expenses may qualify as either:

- Medical expenses, or
- Work-related expenses for purposes of taking a credit for dependent care. See Pub. 503.

medical care part of the policy if the charge for the medical part is reasonable. The cost of the medical part must be separately stated in the insurance contract or given to you in a separate statement.

Health Coverage Tax Credit (HCTC)

If you were an eligible trade adjustment assistance (TAA) recipient, alternative TAA (ATAA) recipient, reemployment TAA (RTAA) recipient, or Pension Benefit Guaranty Corporation (PBGC) payee, you must complete Form 8885 before completing Schedule A. When figuring the amount of insurance premiums you can deduct on Schedule A, don't include any of the following.

- Any amounts you included on Form 8885, line 4.
- Any amounts paid directly to your health plan for HCTC-qualified health insurance coverage for a month which you received the benefit of an advance (monthly) payment of HCTC.

If advance payments of the premium tax credit were made or you are eligible for both the premium tax credit and the HCTC and elect to take the HCTC, see the 2016 Instructions for Form 8885 to see how to figure your credit.

Employer-Sponsored Health Insurance Plan

Don't include in your medical and dental expenses any insurance premiums paid by an employer-sponsored health insurance plan unless the premiums are included on your Form W-2, Wage and Tax Statement. Also, don't include any other medical and dental expenses paid by the plan unless the amount paid is included on your Form W-2.

Example. You are a federal employee participating in the premium conversion plan of the Federal Employee Health Benefits (FEHB) program. Your share of the FEHB premium is paid by making a pre-tax reduction in your salary. Because you are an employee whose insurance premiums are paid with money that is never included in your gross income, you can't deduct the premiums paid with that money.

Long-term care services. Contributions made by your employer to provide coverage for qualified long-term care services under a flexible spending or similar arrangement must be included in your income. This amount will be reported as wages on your Form W-2.

Retired public safety officers. If you are a retired public safety officer, don't include as medical expenses any health or long-term care insurance premiums that you elected to have paid with tax-free distributions from a retirement plan. This applies only to distributions that would otherwise be included in income.

Health reimbursement arrangement (HRA). If you have medical expenses that are reimbursed by a health reimbursement arrangement, you can't include those expenses in your medical expenses. This is because an HRA is funded solely by the employer.

Medicare A

If you are covered under social security (or if you are a government employee who paid Medicare tax), you are enrolled in Medicare A. The payroll tax paid for Medicare A isn't a medical expense.

If you aren't covered under social security (or weren't a government employee who paid Medicare tax), you can voluntarily enroll in Medicare A. In this situation you can include the premiums you paid for Medicare A as a medical expense.

Medicare B

Medicare B is a supplemental medical insurance. Premiums you pay for Medicare B are a medical expense. Check the information you received from the Social Security Administration to find out your premium.

Medicare D

Medicare D is a voluntary prescription drug insurance program for persons with Medicare A or B. You can include as a medical expense premiums you pay for Medicare D.

Prepaid Insurance Premiums

Premiums you pay before you are age 65 for insurance for medical care for yourself, your spouse, or your dependents after you reach age 65 are medical care expenses in the year paid if they are:

1. Payable in equal yearly installments or more often, and
2. Payable for at least 10 years, or until you reach age 65 (but not for less than 5 years).

Unused Sick Leave Used To Pay Premiums

You must include in gross income cash payments you receive at the time of retirement for unused sick leave. You also must include in gross income the value of unused sick leave that, at your option, your employer applies to the cost of your continuing participation in your employer's health plan after you retire. You can include this cost of continuing participation in the health plan as a medical expense.

If you participate in a health plan where your employer automatically applies the value of unused sick leave to the cost of your continuing participation in the health plan (and you don't have the option to receive cash), don't include the value of the unused sick leave in gross income. You can't include this cost of continuing participation in that health plan as a medical expense.

Insurance Premiums You Can't Include

You can't include premiums you pay for:

- Life insurance policies,

reason for being there is to receive medical care. See *Nursing Home*, later.

You may be able to include in medical expenses the cost of lodging not provided in a hospital or similar institution. You can include the cost of such lodging while away from home if all of the following requirements are met.

1. The lodging is primarily for and essential to medical care.
2. The medical care is provided by a doctor in a licensed hospital or in a medical care facility related to, or the equivalent of, a licensed hospital.
3. The lodging isn't lavish or extravagant under the circumstances.
4. There is no significant element of personal pleasure, recreation, or vacation in the travel away from home.

The amount you include in medical expenses for lodging can't be more than \$50 for each night for each person. You can include lodging for a person traveling with the person receiving the medical care. For example, if a parent is traveling with a sick child, up to \$100 per night can be included as a medical expense for lodging. Meals aren't included.

Don't include the cost of lodging while away from home for medical treatment if that treatment isn't received from a doctor in a licensed hospital or in a medical care facility related to, or the equivalent of, a licensed hospital or if that lodging isn't primarily for or essential to the medical care received.

Long-Term Care

You can include in medical expenses amounts paid for qualified long-term care services and premiums paid for qualified long-term care insurance contracts.

Qualified Long-Term Care Services

Qualified long-term care services are necessary diagnostic, preventive, therapeutic, curing, treating, mitigating, rehabilitative services, and maintenance and personal care services (defined later) that are:

1. Required by a chronically ill individual, and
2. Provided pursuant to a plan of care prescribed by a licensed health care practitioner.

Chronically ill individual. An individual is chronically ill if, within the previous 12 months, a licensed health care practitioner has certified that the individual meets either of the following descriptions.

1. He or she is unable to perform at least two activities of daily living without substantial assistance from another individual for at least 90 days, due to a loss of functional capacity. Activities of daily living are eating, toileting, transferring, bathing, dressing, and continence.

2. He or she requires substantial supervision to be protected from threats to health and safety due to severe cognitive impairment.

Maintenance and personal care services. Maintenance or personal care services is care which has as its primary purpose the providing of a chronically ill individual with needed assistance with his or her disabilities (including protection from threats to health and safety due to severe cognitive impairment).

Qualified Long-Term Care Insurance Contracts

A qualified long-term care insurance contract is an insurance contract that provides only coverage of qualified long-term care services. The contract must:

1. Be guaranteed renewable,
2. Not provide for a cash surrender value or other money that can be paid, assigned, pledged, or borrowed,
3. Provide that refunds, other than refunds on the death of the insured or complete surrender or cancellation of the contract, and dividends under the contract must be used only to reduce future premiums or increase future benefits, and
4. Generally not pay or reimburse expenses incurred for services or items that would be reimbursed under Medicare, except where Medicare is a secondary payer, or the contract makes *per diem* or other periodic payments without regard to expenses.

The amount of qualified long-term care premiums you can include is limited. You can include the following as medical expenses on Schedule A (Form 1040).

1. Qualified long-term care premiums up to the following amounts.
 - a. Age 40 or under – \$390.
 - b. Age 41 to 50 – \$730.
 - c. Age 51 to 60 – \$1,460.
 - d. Age 61 to 70 – \$3,900.
 - e. Age 71 or over – \$4,870.
2. Unreimbursed expenses for qualified long-term care services.

Note. The limit on premiums is for each person.

Also, if you are an eligible retired public safety officer, you can't include premiums for long-term care insurance if you elected to pay these premiums with tax-free distributions from a qualified retirement plan made directly to the insurance provider and these distributions would otherwise have been included in your income.

Osteopath

You can include in medical expenses amounts you pay to an osteopath for medical care.

Oxygen

You can include in medical expenses amounts you pay for oxygen and oxygen equipment to relieve breathing problems caused by a medical condition.

Physical Examination

You can include in medical expenses the amount you pay for an annual physical examination and diagnostic tests by a physician. You don't have to be ill at the time of the examination.

Pregnancy Test Kit

You can include in medical expenses the amount you pay to purchase a pregnancy test kit to determine if you are pregnant.

Premium Tax Credit

You can't include in medical expenses the amount of health insurance premiums paid by or through the premium tax credit. You also can't include in medical expenses any amount of advance payments of the premium tax credit made that you did not have to pay back. However, any amount of advance payments of the premium tax credit that you did have to pay back can be included in medical expenses.

Example 1. Amy is under age 65 and unmarried. The cost of her health insurance premiums in 2016 is \$8,700. Advance payments of the premium tax credit of \$4,200 are made to the insurance company and Amy pays premiums of \$4,500. On her 2016 tax return, Amy is allowed a premium tax credit of \$3,600 and must repay \$600 excess advance credit payments (which is less than the repayment limitation). Amy is treated as paying \$5,100 (\$8,700 less the allowed premium tax credit of \$3,600) for health insurance premiums in 2016. Because \$5,100 is more than 10% of Amy's AGI, when she fills out her Schedule A, she enters \$5,100 on line 1.

Example 2. The facts are the same as in *Example 1*, except Amy is allowed a premium tax credit of \$4,900 on her tax return and receives a net premium tax credit of \$700. Amy is treated as paying \$3,800 (\$8,700 less the allowed premium tax credit of \$4,900) for health insurance premiums in 2016. Because \$3,800 is more than 10% of Amy's AGI, when she fills out her Schedule A, she enters \$3,800 on line 1.

Prosthesis

See *Artificial Limb* and *Breast Reconstruction Surgery*, earlier.

Psychiatric Care

You can include in medical expenses amounts you pay for psychiatric care. This includes the cost of supporting a mentally ill dependent at a specially equipped medical center where the dependent receives medical care. See *Psychoanalysis*, next, and *Transportation*, later.

Psychoanalysis

You can include in medical expenses payments for psychoanalysis. However, you can't include payments for psychoanalysis that is part of required training to be a psychoanalyst.

Psychologist

You can include in medical expenses amounts you pay to a psychologist for medical care.

Special Education

You can include in medical expenses fees you pay on a doctor's recommendation for a child's tutoring by a teacher who is specially trained and qualified to work with children who have learning disabilities caused by mental or physical impairments, including nervous system disorders.

You can include in medical expenses the cost (tuition, meals, and lodging) of attending a school that furnishes special education to help a child to overcome learning disabilities. For expenses to be deductible, a doctor must recommend that the child attend the school. Overcoming the learning disabilities must be a principal reason for attending the school, and any ordinary education received must be incidental to the special education provided. Special education includes:

- Teaching Braille to a visually impaired person,
- Teaching lip reading to a hearing disabled person, or
- Giving remedial language training to correct a condition caused by a birth defect.

You can't include in medical expenses the cost of sending a child with behavioral problems to a school where the course of study and the disciplinary methods have a beneficial effect on the child's attitude if the availability of medical care in the school isn't a principal reason for sending the student there.

Sterilization

You can include in medical expenses the cost of a legal sterilization (a legally performed operation to make a person unable to have children). Also see *Vasectomy*, later.

Stop-Smoking Programs

You can include in medical expenses amounts you pay for a program to stop smoking. However, you can't include in

Tuition

Under special circumstances, you can include charges for tuition in medical expenses. See *Special Education*, earlier.

You can include charges for a health plan included in a lump-sum tuition fee if the charges are separately stated or can easily be obtained from the school.

Vasectomy

You can include in medical expenses the amount you pay for a vasectomy.

Vision Correction Surgery

See *Eye Surgery*, earlier.

Weight-Loss Program

You can include in medical expenses amounts you pay to lose weight if it is a treatment for a specific disease diagnosed by a physician (such as obesity, hypertension, or heart disease). This includes fees you pay for membership in a weight reduction group as well as fees for attendance at periodic meetings. You can't include membership dues in a gym, health club, or spa as medical expenses, but you can include separate fees charged there for weight loss activities.

You can't include the cost of diet food or beverages in medical expenses because the diet food and beverages substitute for what is normally consumed to satisfy nutritional needs. You can include the cost of special food in medical expenses only if:

1. The food doesn't satisfy normal nutritional needs,
2. The food alleviates or treats an illness, and
3. The need for the food is substantiated by a physician.

The amount you can include in medical expenses is limited to the amount by which the cost of the special food exceeds the cost of a normal diet. See also *Weight-Loss Program* under *What Expenses Aren't Includible*, later.

Wheelchair

You can include in medical expenses the amounts you pay for a wheelchair used for the relief of a sickness or disability. The cost of operating and maintaining the wheelchair is also a medical expense.

Wig

You can include in medical expenses the cost of a wig purchased upon the advice of a physician for the mental health of a patient who has lost all of his or her hair from disease.

X-ray

You can include in medical expenses amounts you pay for X-rays for medical reasons.

What Expenses Aren't Includible?

Following is a list of some items that you can't include in figuring your medical expense deduction. The items are listed in alphabetical order.

Baby Sitting, Childcare, and Nursing Services for a Normal, Healthy Baby

You can't include in medical expenses amounts you pay for the care of children, even if the expenses enable you, your spouse, or your dependent to get medical or dental treatment. Also, any expense allowed as a childcare credit can't be treated as an expense paid for medical care.

Controlled Substances

You can't include in medical expenses amounts you pay for controlled substances (such as marijuana, laetrile, etc.) that aren't legal under federal law, even if such substances are legalized by state law.

Cosmetic Surgery

Generally, you can't include in medical expenses the amount you pay for unnecessary cosmetic surgery. This includes any procedure that is directed at improving the patient's appearance and doesn't meaningfully promote the proper function of the body or prevent or treat illness or disease. You generally can't include in medical expenses the amount you pay for procedures such as face lifts, hair transplants, hair removal (electrolysis), and liposuction.

You can include in medical expenses the amount you pay for cosmetic surgery if it is necessary to improve a deformity arising from, or directly related to, a congenital abnormality, a personal injury resulting from an accident or trauma, or a disfiguring disease.

Example. An individual undergoes surgery that removes a breast as part of treatment for cancer. She pays a surgeon to reconstruct the breast. The surgery to reconstruct the breast corrects a deformity directly related to the disease. The cost of the surgery is includible in her medical expenses.

Dancing Lessons

You can't include in medical expenses the cost of dancing lessons, swimming lessons, etc., even if they are recommended by a doctor, if they are only for the improvement of general health.

Example. Your doctor recommends that you take aspirin. Because aspirin is a drug that doesn't require a physician's prescription, you can't include its cost in your medical expenses.

Nutritional Supplements

You can't include in medical expenses the cost of nutritional supplements, vitamins, herbal supplements, "natural medicines," etc. unless they are recommended by a medical practitioner as treatment for a specific medical condition diagnosed by a physician. These items are taken to maintain your ordinary good health and aren't for medical care.

Personal Use Items

You can't include in medical expenses the cost of an item ordinarily used for personal, living, or family purposes unless it is used primarily to prevent or alleviate a physical or mental defect or illness. For example, the cost of a toothbrush and toothpaste is a nondeductible personal expense.

In order to accommodate an individual with a physical defect, you may have to purchase an item ordinarily used as a personal, living, or family item in a special form. You can include the excess of the cost of the item in a special form over the cost of the item in normal form as a medical expense. See *Braille Books and Magazines* under *What Medical Expenses Are Includible*, earlier.

Premium Tax Credit

You can't include in medical expenses the amount of health insurance premiums paid by or through the premium tax credit. You also can't include in medical expenses any amount of advance payments of the premium tax credit made that you did not have to pay back. However, any amount of advance payments of the premium tax credit that you did have to pay back can be included in medical expenses.

Swimming Lessons

See *Dancing Lessons*, earlier.

Teeth Whitening

You can't include in medical expenses amounts paid to whiten teeth. See *Cosmetic Surgery*, earlier.

Veterinary Fees

You generally can't include veterinary fees in your medical expenses, but see *Guide Dog or Other Service Animal* under *What Medical Expenses Are Includible*, earlier.

Weight-Loss Program

You can't include in medical expenses the cost of a weight-loss program if the purpose of the weight loss is the improvement of appearance, general health, or sense of well-being. You can't include amounts you pay to lose weight unless the weight loss is a treatment for a specific disease diagnosed by a physician (such as obesity, hypertension, or heart disease). If the weight-loss treatment isn't for a specific disease diagnosed by a physician, you can't include either the fees you pay for membership in a weight reduction group or fees for attendance at periodic meetings. Also, you can't include membership dues in a gym, health club, or spa.

You can't include the cost of diet food or beverages in medical expenses because the diet food and beverages substitute for what is normally consumed to satisfy nutritional needs.

See *Weight-Loss Program* under *What Medical Expenses Are Includible*, earlier.

How Do You Treat Reimbursements?

You can include in medical expenses only those amounts paid during the tax year for which you received no insurance or other reimbursement.

Insurance Reimbursement

You must reduce your total medical expenses for the year by all reimbursements for medical expenses that you receive from insurance or other sources during the year. This includes payments from Medicare.

Even if a policy provides reimbursement only for certain specific medical expenses, you must use amounts you receive from that policy to reduce your total medical expenses, including those it doesn't reimburse.

Example. You have insurance policies that cover your hospital and doctors' bills but not your nursing bills. The insurance you receive for the hospital and doctors' bills is more than their charges. In figuring your medical deduction, you must reduce the total amount you spent for medical care by the total amount of insurance you received, even if the policies don't cover some of your medical expenses.

Health reimbursement arrangement (HRA). A health reimbursement arrangement is an employer-funded plan that reimburses employees for medical care expenses and allows unused amounts to be carried forward. An HRA is funded solely by the employer and the reimbursements for medical expenses, up to a maximum dollar amount for a coverage period, aren't included in your income.

is from your employer's contribution. Any excess reimbursement that is due to your employer's contributions is includible in your income.

You can figure the part of the excess reimbursement that is from your employer's contribution by using Worksheet C. Use Worksheet C only if both you and your employer paid part of the cost of at least one policy. If you had more than one policy, but you didn't share in the cost of at least one policy, don't use Worksheet C.

Worksheet C. Excess Reimbursement Includible in Income When You Have More Than One Policy

Keep for Your Records



Instructions: Use this worksheet to figure the amount of excess reimbursement you must include as income on your tax return when (a) you are reimbursed under two or more health insurance policies, (b) at least one of which is paid for by both you and your employer, and (c) your employer's contributions aren't included in your gross income. If you and your employer didn't share in the cost of at least one policy, don't use this worksheet.

1. Enter the reimbursement from your employer's policy 1. _____
2. Enter the reimbursement from your own policy 2. _____
3. Add lines 1 and 2 3. _____
4. Divide line 1 by line 3 4. _____
5. Enter the total medical expenses you paid during the year. If this amount is at least as much as the amount on line 3, stop here because there is no excess reimbursement 5. _____
6. Multiply line 4 by line 5 6. _____
7. Subtract line 6 from line 1 7. _____
8. Enter employer's contribution to the annual cost of the employer's policy 8. _____
9. Enter total annual cost of the employer's policy 9. _____
10. Divide line 8 by line 9. This is the percentage of your total excess reimbursement you must report as other income 10. _____
11. Multiply line 7 by line 10. This is the amount of your total excess reimbursement you must report as other income on Form 1040 11. _____

What If You Receive Insurance Reimbursement in a Later Year?

If you are reimbursed in a later year for medical expenses you deducted in an earlier year, you generally must report the reimbursement as income up to the amount you previously deducted as medical expenses.

However, don't report as income the amount of reimbursement you received up to the amount of your medical deductions that didn't reduce your tax for the earlier year.

For more information about the recovery of an amount that you claimed as an itemized deduction in an earlier year, see *Recoveries* in Pub. 525, *Taxable and Nontaxable Income*.

What If You Are Reimbursed for Medical Expenses You Didn't Deduct?

If you didn't deduct a medical expense in the year you paid it because your medical expenses weren't more than 10% of your AGI (7.5% of your AGI if either you or your spouse was born before January 2, 1952) or because you didn't itemize deductions, don't include the reimbursement, up to the amount of the expense, in income. However, if the reimbursement is more than the expense, see *What If Your Insurance Reimbursement Is More Than Your Medical Expenses*, earlier.

Example. Last year, you were unmarried, you were born after January 2, 1952, and you had \$500 of medical expenses. You can't deduct the \$500 because it is less than 10% of your AGI. If, in a later year, you are reimbursed for any of the \$500 of medical expenses, you don't include that amount in your gross income.

How Do You Figure and Report the Deduction on Your Tax Return?

Once you have determined which medical expenses you can include, figure and report the deduction on your tax return.

What Tax Form Do You Use?

You report your medical expense deduction on Schedule A, Form 1040. You can't claim medical expenses on Form 1040A or Form 1040EZ. See the Instructions for Schedule A (Form 1040) for more detailed information on figuring your medical and dental expense deduction.



Recordkeeping. You should keep records of your medical and dental expenses to support your deduction. Don't send these records with your paper return.

Worksheet E. Gain or Loss On the Sale of Medical Equipment or Property

Keep for Your Records



Instructions: Use the following worksheet to figure total gain or loss on the sale of medical equipment or property that you deducted in an earlier year.

1. Enter the amount that the medical equipment or property sold for 1. _____
2. Enter your selling expenses 2. _____
3. Subtract line 2 from line 1 3. _____
4. Enter the adjusted basis of the equipment or property from Worksheet D, line 5, or line 12, if applicable 4. _____
5. Subtract line 4 from line 3. This is the total gain or loss from the sale of the medical equipment or property 5. _____

If you have a loss, it isn't deductible. If you have a gain, it is includible in your income. The part of the gain that is a recovery of an amount you previously deducted is taxable as ordinary income. Enter it on Form 1040. Any part of the gain that is more than the recovery of an amount you previously deducted is taxable as a capital gain. Enter it on Form 8949, Sales and Other Dispositions of Capital Assets, and Schedule D (Form 1040), Capital Gains and Losses.

For more information about the recovery of an amount that you claimed as an itemized deduction in an earlier year, see *Recoveries* in Pub. 525.

Damages for Personal Injuries

If you receive an amount in settlement of a personal injury suit, part of that award may be for medical expenses that you deducted in an earlier year. If it is, you must include that part in your income in the year you receive it to the extent it reduced your taxable income in the earlier year. See *What If You Receive Insurance Reimbursement in a Later Year*, discussed earlier under *How Do You Treat Reimbursements*.

Example. You sued this year for injuries you suffered in an accident last year. You sought \$10,000 for your injuries and didn't itemize your damages. Last year, you paid \$500 for medical expenses for your injuries. You deducted those expenses on last year's tax return. This year you settled your lawsuit for \$2,000. Your settlement didn't itemize or allocate the damages. The \$2,000 is first presumed to be for the medical expenses that you deducted. The \$500 is includible in your income this year because you deducted the entire \$500 as a medical expense deduction last year.

Future medical expenses. If you receive an amount in settlement of a damage suit for personal injuries, part of

that award may be for future medical expenses. If it is, you must reduce any future medical expenses for these injuries until the amount you received has been completely used.

Example. You were injured in an accident. You sued and sought a judgment of \$50,000 for your injuries. You settled the suit for \$45,000. The settlement provided that \$10,000 of the \$45,000 was for future medical expenses for your injuries. You can't include the first \$10,000 that you pay for medical expenses for those injuries.

Workers' compensation. If you received workers' compensation and you deducted medical expenses related to that injury, you must include the workers' compensation in income up to the amount you deducted. If you received workers' compensation, but didn't deduct medical expenses related to that injury, don't include the workers' compensation in your income.

Impairment-Related Work Expenses

If you are a person with disabilities, you can take a business deduction for expenses that are necessary for you to be able to work. If you take a business deduction for these impairment-related work expenses, they aren't subject to the 10% limit (or 7.5% if either you or your spouse was born before January 2, 1952) that applies to medical expenses.

You have a disability if you have:

- A physical or mental disability (for example, blindness or deafness) that functionally limits your being employed, or
- A physical or mental impairment (for example, a sight or hearing impairment) that substantially limits one or more of your major life activities, such as performing manual tasks, walking, speaking, breathing, learning, or working.

Impairment-related expenses defined. Impairment-related expenses are those ordinary and necessary business expenses that are:

- Necessary for you to do your work satisfactorily,
- For goods and services not required or used, other than incidentally, in your personal activities, and
- Not specifically covered under other income tax laws.

Where to report. If you are self-employed, deduct the business expenses on the appropriate form (Schedule C, C-EZ, E, or F) used to report your business income and expenses.

If you are an employee, complete Form 2106, Employee Business Expenses, or Form 2106-EZ, Unreimbursed Employee Business Expenses. Enter on Schedule A (Form 1040), that part of the amount on Form 2106, or Form 2106-EZ, that is related to your impairment. Enter

partial reimbursement for premiums paid for qualified health insurance coverage.

You must elect the HCTC. Once you make the election to take the HCTC for an eligible coverage month, you can't take the premium tax credit for the same coverage in that coverage month and for all subsequent coverage months during your tax year in which you're eligible to take the HCTC.

If you have qualified health insurance that covers anyone besides yourself and your qualifying family member(s), you may not be able to take into account all of your payments. You can't treat an amount as paid for insurance for yourself and qualifying family members unless all of the following requirements are met.

- The charge for insurance for yourself and qualifying family members is either separately stated in the contract or furnished to you by the insurance company in a separate statement.
- The amount you paid for insurance for yourself and qualifying family members isn't more than the charge that is stated in the contract or furnished by the insurance company.
- The amount stated in the contract or furnished by the insurance company isn't unreasonably large in relation to the total charges under the contract.

For more information on who is eligible to take the HCTC, which plans are qualified health plans for the HCTC, how to figure your credit if advance payments of the premium tax credit were made, as well as other changes to the HCTC for 2016, go to IRS.gov/HCTC. Also, see the Instructions for Form 8885.

How To Get Tax Help

If you have questions about a tax issue, need help preparing your tax return, or want to download free publications, forms, or instructions, go to IRS.gov and find resources that can help you right away.

Preparing and filing your tax return. Find free options to prepare and file your return on IRS.gov or in your local community if you qualify.

The Volunteer Income Tax Assistance (VITA) program offers free tax help to people who generally make \$54,000 or less, persons with disabilities, the elderly, and limited-English-speaking taxpayers who need help preparing their own tax returns. The Tax Counseling for the Elderly (TCE) program offers free tax help for all taxpayers, particularly those who are 60 years of age and older. TCE volunteers specialize in answering questions about pensions and retirement-related issues unique to seniors.

You can go to IRS.gov and click on the Filing tab to see your options for preparing and filing your return which include the following.

- **Free File.** Go to IRS.gov/freefile. See if you qualify to use brand-name software to prepare and *e-file* your federal tax return for free.

- **VITA.** Go to IRS.gov/vita, download the free IRS2Go app, or call 1-800-906-9887 to find the nearest VITA location for free tax preparation.
- **TCE.** Go to IRS.gov/tce, download the free IRS2Go app, or call 1-888-227-7669 to find the nearest TCE location for free tax preparation.



Getting answers to your tax law questions.

On IRS.gov get answers to your tax questions anytime, anywhere.

- Go to IRS.gov/help or IRS.gov/letushelp pages for a variety of tools that will help you get answers to some of the most common tax questions.
- Go to IRS.gov/ita for the Interactive Tax Assistant, a tool that will ask you questions on a number of tax law topics and provide answers. You can print the entire interview and the final response for your records.
- Go to IRS.gov/pub17 to get Pub. 17, Your Federal Income Tax for Individuals, which features details on tax-saving opportunities, 2016 tax changes, and thousands of interactive links to help you find answers to your questions. View it online in HTML or as a PDF or, better yet, download it to your mobile device to enjoy eBook features.
- You may also be able to access tax law information in your electronic filing software.

Getting tax forms and publications. Go to IRS.gov/forms to view, download, or print all of the forms and publications you may need. You can also download and view popular tax publications and instructions (including the 1040 instructions) on mobile devices as an eBook at no charge. Or, you can go to IRS.gov/orderforms to place an order and have forms mailed to you within 10 business days.

Using direct deposit. The fastest way to receive a tax refund is to combine direct deposit and *IRS e-file*. Direct deposit securely and electronically transfers your refund directly into your financial account. Eight in 10 taxpayers use direct deposit to receive their refund. IRS issues more than 90% of refunds in less than 21 days.

Delayed refund for returns claiming certain credits. Due to changes in the law, the IRS can't issue refunds before February 15, 2017, for returns that claim the earned income credit (EIC) or the additional child tax credit (ACTC). This applies to the entire refund, not just the portion associated with these credits.

Getting a transcript or copy of a return. The quickest way to get a copy of your tax transcript is to go to IRS.gov/transcripts. Click on either "Get Transcript Online" or "Get Transcript by Mail" to order a copy of your transcript. If you prefer, you can:

- Order your transcript by calling 1-800-908-9946.
- Mail Form 4506-T or Form 4506T-EZ (both available on IRS.gov).

- [Korean \(IRS.gov/korean\)](https://www.irs.gov/korean).
- [Russian \(IRS.gov/russian\)](https://www.irs.gov/russian).

The IRS TACs provide over-the-phone interpreter service in over 170 languages, and the service is available free to taxpayers.

The Taxpayer Advocate Service Is Here To Help You

What is the Taxpayer Advocate Service?

The Taxpayer Advocate Service (TAS) is an *independent* organization within the IRS that helps taxpayers and protects taxpayer rights. Our job is to ensure that every taxpayer is treated fairly and that you know and understand your rights under the *Taxpayer Bill of Rights*.

What Can the Taxpayer Advocate Service Do For You?

We can help you resolve problems that you can't resolve with the IRS. And our service is free. If you qualify for our assistance, you will be assigned to one advocate who will work with you throughout the process and will do everything possible to resolve your issue. TAS can help you if:

- Your problem is causing financial difficulty for you, your family, or your business,
- You face (or your business is facing) an immediate threat of adverse action, or
- You've tried repeatedly to contact the IRS but no one has responded, or the IRS hasn't responded by the date promised.

How Can You Reach Us?

We have offices *in every state, the District of Columbia, and Puerto Rico*. Your local advocate's number is in your local directory and at taxpayeradvocate.irs.gov. You can also call us at 1-877-777-4778.

How Can You Learn About Your Taxpayer Rights?

The Taxpayer Bill of Rights describes 10 basic rights that all taxpayers have when dealing with the IRS. Our Tax Toolkit at taxpayeradvocate.irs.gov can help you understand *what these rights mean to you* and how they apply. These are *your* rights. Know them. Use them.

How Else Does the Taxpayer Advocate Service Help Taxpayers?

TAS works to resolve large-scale problems that affect many taxpayers. If you know of one of these broad issues, please report it to us at [IRS.gov/sams](https://www.irs.gov/sams).

Low Income Taxpayer Clinics

Low Income Taxpayer Clinics (LITCs) serve individuals whose income is below a certain level and need to resolve tax problems such as audits, appeals, and tax collection disputes. Some clinics can provide information about taxpayer rights and responsibilities in different languages for individuals who speak English as a second language. To find a clinic near you, visit [IRS.gov/litc](https://www.irs.gov/litc) or see IRS Publication 4134, *Low Income Taxpayer Clinic List*.

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To help us develop a more useful index, please let us know if you have ideas for index entries. See "Comments and Suggestions" in the "Introduction" for the ways you can reach us.

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Appendix L: Definitions

Low-Rent Public Housing

Abandonment

Means absence of the resident from the dwelling, without notice to the owner, for one full rental period or in excess of seven (7) days, whichever is less; providing such absence occurs only after rent for the dwelling unit is delinquent.

ACC Expiration Date

The last day of the term during which a particular public housing development is subject to all or any of the provisions of the Annual Contributions Contract (ACC). The ACC term for a particular development expires at the latest of:

1. The end of the "Debt Service Completion Date," which is the last day of a one-year period beginning with, and inclusive of, the last debt service Annual Contribution Date for the development, as determined under the ACC (e.g., if the last debt service Annual Contribution Date is June 15, 1983, the one-year period continues through the end of the day on June 14, 1984, which is the debt Service Completion Date); or
2. The end of the date of full repayment of any indebtedness of the PHA to the Federal government in connection with the development; or
3. The end of the last date of an extension of the term of the ACC provisions related to development operation, as effected under 24 CFR, Sections 969.105, Extension of ACC upon Payment of Operating Subsidy, or 969.106, ACC Extension in Absence of Current Operating Subsidy.

Accessible

1. When used with respect to the design, construction, or alteration of a facility or a portion of a facility other than an individual dwelling unit, means that the facility or portion of the facility when designed, constructed or altered, can be approached, entered, and used by individuals with physical disabilities. The phrase "accessible to and usable by" is synonymous with accessible.
2. When used with respect to the design, construction, or alteration of an individual dwelling unit, means that the unit is located on an accessible route, and when designed, constructed, altered or adapted, can be approached, entered, and used by individuals with physical disabilities.
3. A unit that is on an accessible route and is adaptable and otherwise in compliance with the standards set forth in 24 CFR, Part 8, Section 8.32, is "accessible" within the meaning of paragraph 2.
4. When a unit in an existing facility which is being made accessible as a result of alterations is intended for use by a specific qualified individual with disabilities (e.g., a current occupant of such unit or of another unit under the control of the same recipient, or an applicant on a waiting list), the unit will be deemed accessible if it meets the requirements of applicable standards that address the particular disability or impairment of such person.

Accessible Route

A continuous unobstructed path connecting accessible elements and spaces in a building or facility that complies with the space and reach requirements of applicable standards prescribed by 24 CFR, Part 8, and section 8.32. An accessible route that serves only accessible units occupied by persons with hearing or vision impairments need not comply with those requirements intended to effect accessibility for persons with mobility impairments.

Adaptability

The ability of certain elements of a dwelling unit, such as kitchen counters, sinks, and grab bars, to be added to, raised, lowered, or otherwise altered, to accommodate the needs of persons with or without disabilities, or to accommodate the needs of persons with different types or degrees of disability. For example, in a unit adaptable for a hearing-impaired person, the wiring for visible emergency alarms may be installed, but the alarms need not be installed until such time as the unit is made ready for occupancy by a hearing-impaired person.

Adjusted Income means Annual Income less the following allowances, determined in accordance with HUD instructions:

1. \$480 for each Dependent;
2. \$400 for any Elderly Family;
3. For any family that is not an Elderly Family or disabled family, but has a member other than the head of household or spouse, Handicapped/Disabled Assistance Expenses in excess of three percent of Annual Income, but this allowance may not exceed the employment income received by Family members who are 18 years of age or older, as a result of the assistance to the Disabled Person;
4. For any Elderly or Disabled Family,
 - a) That has no disability assistance expenses, an allowance for Medical Expenses, equal to the amount by which the Medical Expenses exceed three percent of Annual Income;
 - b) That has Disability Assistance Expenses greater than or equal to three percent of Annual Income, an allowance for Disability Assistance expenses computed in accordance with paragraph 3, above, plus an allowance for medical expenses, that is equal to the Family's Medical Expenses;
 - c) That has Disability Assistance Expenses that are less than three percent of Annual Income, an allowance for combined Disability Assistance Expenses and Medical Expenses, that is equal to the amount by which the sum of these expenses exceeds three percent of Annual Income; and
5. Child Care Expenses.

Adult (Drug-Related and Criminal Activity)

A person who is 18 years of age or older, or has been convicted of a crime as an adult under any Federal, State or Tribal law

Annual Contributions Contract

A contract under the Housing Act of 1937, as amended, between HUD and the PHA, containing the terms and conditions under which the Department assists the PHA in providing decent, safe, and sanitary, housing for low-income families. The ACC must be in a form prescribed by HUD, under which HUD agrees to provide assistance in the development, modernization, and/or operation of a low-income housing development under the Act, and the PHA agrees to develop, modernize, and operate the development in compliance with all provisions of the ACC and the Act, and all HUD regulations and implementing requirements and policies.

Annual Income

The total amount of income that the family anticipates receiving during the year following the date of income calculation

Annual Income includes all amounts, monetary or not, which:

Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or

Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and

Which are not specifically excluded by law, regulation or notice.

Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

Applicant

A person or a family that has applied for housing assistance.

Application for Admission

A written form, completed in accordance with PHA requirements, signed by the applicant, and submitted to the PHA. The purpose of the application is to determine whether the applicant is eligible for Public Housing.

Auxiliary Aids

Services or devices that enable persons with impaired sensory, manual, or speaking skills to have an equal opportunity to participate in, and enjoy the benefits of, programs or activities receiving Federal financial assistance. For example, auxiliary aids for persons with impaired vision may include readers, Braille materials, audio recordings, and other similar services and devices. Auxiliary aids for persons with impaired hearing may include telephone handset amplifiers, telephones compatible with hearing aids, telecommunication devices for deaf persons (TDD's), interpreters, note takers, written materials, and other similar services and devices.

Building Entrance on an Accessible Route

An accessible entrance to a building that is connected by an accessible route to public transportation stops, to accessible parking and passenger loading zones, or to public streets or

sidewalks, if available. A building that complies with ANSI A117.1-1986 or a comparable standard complies with the requirements of this paragraph.

Check-meter

A device for measuring utility consumption within each individual dwelling unit where the utility service is supplied to the PHA through a Master-meter System. The PHA pays the Utility Supplier of the Utility Service on the basis of the Master-meter readings and uses the Check-meter to determine whether and to what extent the Utility consumption of each dwelling unit is in excess of the Allowance for PHA-Furnished Utilities.

Child

A member of the family, other than the family head or spouse, who is under 18 years of age. For continued assistance under Restrictions on Assistance to Non-citizens only: Biological or adopted children only. Stepchildren (not related to either the head of the household or the spouse) and guardianship of minors (either formal or informal) are excluded.

Child Care Expenses

Amounts anticipated to be paid by the family for the care of children under 13 years of age during the period for which Annual Income is computed, but only where such care is necessary to enable a family member to actively seek employment, be gainfully employed, or to further his or her education, and only to the extent such amounts are not reimbursed. The amount deducted shall reflect reasonable charges for child care, and in the case of child care necessary to permit employment, the amount deducted shall not exceed the amount of employment income that is included in annual income.

CIS

U.S. Citizenship and Immigration Services (formerly Immigration and Naturalization Services (INS)).

Citizen

A citizen by birth, naturalization, or national of the United States.

Common Use Areas

Rooms, spaces or elements, inside or outside of a building, that are made available for the use of residents of a building or the guests thereof. These areas include hallways, lounges, lobbies, and laundry rooms, refuse rooms, mailrooms, recreational areas and passageways among and between buildings.

Community Service

The performance of voluntary work or duties in the public benefit that serve to improve the quality of life and/or enhance resident self-sufficiency, or/and increase the self-responsibility of the resident within the community in which the resident resides.

Complainant

Any resident whose grievance is presented to the PHA or at the project management office.

Continued Assistance Family

This is a mixed family who meets all the following requirements:

1. The family was receiving assistance under a Section 214 covered program on June 19, 1995; and
2. Whose head of the household or spouse has eligible immigration status according to the requirements of the restrictions on assistance to non-citizens; and
3. The family does not include any person (who does not have eligible immigration status) other than:
 - a) The head of the household;
 - b) Any spouse of the head of the household;
 - c) Any parents of the head of the household;
 - d) Any parents of the spouse;
 - e) Any children of the head of the household or spouse.

This does not define "family" for purposes of eligibility at the PHA (see "Family" in this Definitions section).

Contract of Participation

A contract is a form approved by HUD, entered into between a participating family and a PHA operating an FSS program that sets forth the terms and conditions governing participation in the FSS program. The contract of participation includes all individual training and services plans entered into between the PHA and all members of the family who elect to participate in the FSS program. These plans are attached to the contract of participation as exhibits.

Controlled Substance

Any drug or other substance, or immediate precursor included in the definition in Section 102 of the Controlled Substances Act (21 U.S.C. 802).

Covered Families

Families who receive welfare assistance or other public assistance benefits from a State or other public agency under a program for which Federal State or local law requires that a member of the family must participate in an economic self-sufficiency program as a condition of such assistance.

Covered Person (Drug-Related and Criminal Activity)

A tenant, any member of the tenant's household, a guest or another person under the tenant's control.

Currently Engaging In Illegal Use of a Drug

With respect to behavior such as illegal use of a drug, other drug-related criminal activity, or other criminal activity, currently engaging in, means that the individual has engaged in the behavior recently enough to justify a reasonable belief that the individual's behavior is current.

Dating Violence

The term 'dating violence means violence committed by a person (A) who is or has been in a social relationship of a romantic or intimate nature with the victim, and (B) where the existence of such a relationship shall be determined based on a consideration of the following factors: (i) the length of the relationship; (ii) the type of relationship; (iii) the frequency of interaction between the persons involved in the relationship.

Decent, Safe and Sanitary Housing (In Good Repair)

Housing is decent, safe, sanitary, and in good repair if the requirements of 982.401 (Housing Quality Standards) and the Uniform Physical Condition Standards implemented by HUD in September of 1998 are met.

Dependent

A member of the Family (except foster children and foster adults) other than the Family head or spouse, who is under eighteen (18) years of age, or is a person with a disability, or is a full-time student.

Deposit (Security)

Means, an amount of currency, or an instrument delivered to the owner by the resident as a pledge to abide by terms or conditions of the rental agreement.

Dilapidated Housing

See the definitions of Substandard Housing.

Disability Assistance Expenses

Reasonable expenses that are anticipated, during the period for which annual income is computed, for attendant care and auxiliary apparatus for a disabled family member and that are necessary to enable a family member (including the disabled member) to be employed, provided that the expenses are neither paid to a member of the family nor reimbursed by an outside source.

Disabled Family

Disabled family means a family whose head (including co-head), spouse, or sole member is a person with a disability. It may include two or more persons with disabilities living together, or one or more persons with disabilities living with one or more live-in aides.

A person who is under a disability, as defined in Section 233 of the Social Security Act (42 U.S.C. 423), or who has a developmental disability as defined in Section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act; 42 U.S.C. 6001 (7).

Section 223 of the Social Security Act defines disability as:

1. Inability to engage in any substantial, gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death, or which has lasted or can be expected to last for a continuous period of not less than 12 months; or
2. In the case of an individual who has attained the age of 55 and is blind (within the meaning of "blindness" as defined in the Social Security Act), inability by reason of such blindness to engage in substantial gainful activity in which he/she has previously engaged with some regularity and over a period of time.

Disabled Person (or "Person with a Disability")

This definition no longer includes any person whose "disability" is solely related to drug or alcohol dependency.

Disallowance

An exclusion from annual income.

Discriminatory Housing Practice

An act that is unlawful under Section 804, 805, 806, or 818 of the Fair Housing Act.

Displaced Person/Family

A person or family in which each member, or whose sole member, is a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

Divestiture Income

Imputed income from assets disposed of by an applicant or tenant in the last two years for less than fair market value.

Domestic Violence

The term 'domestic violence' includes felony or misdemeanor crimes of violence committed by a current or former spouse, by a person with whom the victim shares a child in common, by a person who cohabitating with or has cohabitated with the victim as spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

Drug

A controlled substance as defined in section 102 of the Controlled Substances Act.

Drug Abuse Treatment Facility

An entity:

That holds itself out as providing, and provides, diagnosis, treatment, or referral for treatment with respect to illegal drug use; and

That is either an identified unit within a general care facility; or an entity other than a general medical care facility.

Drug-Related Criminal Activity

The illegal manufacture, sale, distribution, or use of a drug, or possession of a drug with intent to manufacture, sell, distribute or use the drug.

Dwelling

Any building, structure or portion thereof which is occupied as, or designed or intended for occupancy as, a residence by one or more families, and any vacant land which is offered for sale or lease for the construction or location thereon of any such building, structure or portion thereof.

Earned Income

Earned income means income or earnings included in annual income from wages, tips, salaries, other employee compensation, and self-employment. (See 24 CFR 5.609.) Earned income does not include any pension or annuity, transfer payments, any cash or in-kind benefits, or funds deposited in or accrued interest on the FSS escrow account established by a PHA on behalf of a participating family.

Economic Self-Sufficiency Program

Any program designed to encourage, assist, train or facilitate the economic independence of HUD-assisted families or to provide work for such families. These programs include job training, employment counseling, work placement, basic skills training, education, English proficiency, financial or household management, apprenticeship and any program necessary to ready a participant for work (including a substance abuse or mental health treatment program), or other work activities.

Elderly Family

Elderly family means a family whose head (including co-head), spouse, or sole member is a person who is at least 62 years of age. It may include two or more persons who are at least 62 years of age living together, or one or more persons who are at least 62 years of age living with one or more live-in aides.

Elderly Person

An individual who is at least 62 years of age.

Elements of Due Process

Means an eviction action or termination of tenancy in a State or local court in which the following safeguards are required:

1. Adequate notice to the resident of the grounds for terminating the tenancy and for eviction.
2. Opportunity for the resident to examine all relevant documents, records and regulations of the PHA, prior to the trial, for the purpose of preparing a defense.
3. Right of the resident to be represented by counsel.

4. Opportunity for the resident to refute the evidence presented by the PHA, including the right to confront and cross-examine witnesses, and to present any affirmative legal or equitable defense which the resident may have.
5. A decision on the merits.

Elevated Blood Lead Level

Excessive absorption of lead, that is, a confirmed concentration of lead in whole blood of 25 ug/dl (micrograms of lead per deciliter of whole blood) or greater.

Eligible Families

Current residents of public housing and applicants who have been screened and notified they are eligible but a unit is not yet available for them.

Emergency Condition

A situation in which failure to supply immediate relief would pose a serious threat to the life, health, or safety of the applicant for admission.

Enrollment

Enrollment means the date that the FSS family entered into the contract of participation with the PHA.

Escrow Deposit

An amount in dispute with respect to rent or other charges which must be paid by the family and held by the PHA pending resolution of a grievance. Escrows are not required for families requesting minimum rent hardship exemption or contesting a reduction in welfare benefits.

Evidence of Citizenship or Eligible Immigration Status

The documents that must be submitted as evidence of citizenship or eligible immigration status.

Extremely Low-Income Family

A "very low-income family" whose annual income does not exceed the higher of:

The poverty guidelines established by the Department of Health and Human Services applicable to the family of the size involved (except in Puerto Rico or any other territory or possession of the United States); or

30% of the median income for the area, as determined by HUD, with adjustment for smaller and larger family, except that HUD may establish income ceilings higher or lower than 30 percent of the area median income for the area if HUD finds that such variations are necessary because of unusually high or low family incomes.

Eviction

Means any action initiated by the owner to regain possession of a dwelling unit and use of the premises.

Fair Housing Act

Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988 (42 U.S.C. 3600-3620).

Familial Status

One or more individuals (who have not attained the age of 18 years) being domiciled with:

1. A parent or another person having legal custody of such individual or individuals; or
2. The designee of such parent or other person having such custody, with the written permission of such parent or other person.

The protections afforded against discrimination on the basis of familial status apply to any person who is pregnant, or is in the process of securing legal custody of any individual who has not attained the age of the 18 years.

Family

Family includes but is not limited to the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

1. A single person, who may an elderly person, displaced person, disabled person, near-elderly person, or any other single person; or
2. A group of persons residing together, and such group includes, but is not limited to:
3. A family with or without children (a child who is temporarily away from home because of placement in foster care is considered a member of the family);
4. An elderly family;
5. A near-elderly family
6. A disabled family;
7. A displaced family; and
8. The remaining member of a tenant family.

Family Income

Means monthly income as defined in HUD regulations, i.e., annual income divided by 12.

Family Project (Family Development/General Occupancy Development)

Any development assisted under Section 9 of the U.S. Housing Act of 1937, which is not an elderly development. For this purpose, an elderly development is one that was designated for occupancy by the elderly at its inception (and has retained that character) or, although not so designated, for which the PHA gives preferences in tenant selection (with HUD approval) for all units in the development to elderly families. A building within a mixed-use development which meets these qualifications shall, for the purposes of 24 CFR, Part 965, Subpart H, Lead-Based Paint Poisoning Prevention, be excluded from any family development. Zero bedroom units, for the purposes of Subpart H, are excluded from any family development.

Family Self-Sufficiency (FSS)

Family Self-Sufficiency program or FSS program means the program established by a PHA within its jurisdiction to promote self-sufficiency among participating families, including the provision of supportive services to these families, as authorized by section 23 of the U.S. Housing Act of 1937.

FSS Account

FSS account means the FSS escrow account authorized by section 23 of the U.S. Housing Act of 1937.

FSS Credit

FSS credit means the amount credited by the PHA to the participating family's FSS account.

FSS Family

FSS family or participating family means a family that resides in public housing, and that elects to participate in the FSS program, and whose designated head of the family has signed the contract of participation.

FSS-Related Service Program

FSS-related service program means any program, publicly or privately sponsored, that offers the kinds of supportive services described in the definition of "supportive services" set forth in regulations.

FSS Slots

FSS slots refer to the total number of public housing units that comprise the minimum size of a PHA's public housing FSS program.

Federal Preference

The Quality Housing and Work Responsibility Act of 1998 has permanently eliminated federal preferences. However, the language and criteria of the former Federal preferences may be retained or adopted by the PHA as their local preferences. Therefore these definitions remain without the reference to "Federal". Means a resident selection preference for admission of applicant families that are any of the following:

1. Involuntarily displaced;
2. Living in substandard housing (including families that are homeless or living in a shelter for the homeless);
3. Paying more than 50 percent of family income for rent.

Federally Assisted Housing (Drug-Related and Criminal Activity)

1. Public housing;
2. Housing receiving project-based or tenant-based assistance under Section 8 of the U.S. Housing Act of 1937;

3. Housing that is assisted under Section 202 of the Housing Act of 1959, as amended by section 801 of the National Affordable Housing Act;
4. Housing that is assisted under Section 202 of the Housing Act of 1959; as such section existed before enactment of the National Affordable Housing Act;
5. Housing that is assisted under Section 811 of the National Affordable Housing Act;
6. Housing financed by a loan or mortgage insured under section 221(d)(3) of the National Housing Act that bears interest at a rate determined under the proviso of section 221(d)(5) of such Act;
7. Housing insured assisted or held by HUD or by a State or local agency under section 236 of the National Housing Act;
8. Housing assisted by the Rural Development Administration under section 514 or section 515 of the Housing Act of 1949.

Fixed Source of Income

A family member with a fixed source of income is a family member whose income includes periodic payments at reasonably predictable levels from one or more of the following sources:

- a) Social Security, Supplemental Security Income (SSI), Supplemental Disability Insurance;
- b) Federal, state, local, or private pension plans;
- c) Annuities or other retirement benefit programs, insurance policies, disability or death benefits, or other similar types of periodic receipts; or
- d) Any other source of income subject to adjustment by a verifiable COLA or current rate of interest

Flat Rent

Flat rent is determined annually by the PHA and is based on the market rental value of the unit. The PHA will establish a flat rent for each public housing unit that is:

- a) No less than 80 percent of the applicable Fair Market Rent (FMR); or
- b) No less than 80 percent of an applicable small area FMR (SAFMR) or unadjusted rent, if applicable, as determined by HUD, or any successor determination, that more accurately reflects local market conditions and is based on an applicable market area that is geographically smaller than the applicable market area. If HUD has not determined an applicable SAFMR or unadjusted rent, the PHA must rely on the applicable FMR; or
- c) Established based on an exception from HUD.

The PHA must revise, if necessary, the flat rent amount for a unit no later than 90 days after HUD issues the new FMRs.

For unit where utilities are tenant-paid, the PHA must adjust the flat rent downward by the amount of a utility allowance for which the family might otherwise be eligible.

If a new flat rent would cause a family's rent to increase by more than 35%, the family's rent increase must be phased in at 35% annually until such time that the family chooses to pay the income-based rent or the family starts to pay the established flat rent.

Full-time Student

A person who is carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended. An educational institution includes a vocational school with or without a diploma or certificate program, as well as an institution offering a college degree.

Gender Identity

Means actual or perceived gender-related characteristics.

Good Faith

Means honesty in fact, in the conduct of the transaction concerned, as evidenced by all surrounding circumstances.

Grievance

Any dispute which a resident may have with respect to PHA action or failure to act in accordance with the individual resident's lease, or PHA regulations which adversely affect the individual resident's rights, duties, welfare, or status.

Guest (Drug Related or Criminal Activity)

A person temporarily staying in the unit with the consent of a tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. The requirements of 966 and 982 apply to these guests.

Handicap/Disability

With respect to a person, a physical or mental impairment which substantially limits one or more of such person's major life activities; a record of having such an impairment, or being regarded as having such an impairment. This term does not include current, illegal use of or addiction to a controlled substance (as defined in Section 102 of the Controlled Substances Act; 21 U.S.C. 802). For the purpose of 24 CFR Part 100, Discriminatory Conduct Under the Fair Housing Act, an individual shall not be considered to have a disability solely because that individual is a transvestite (a person, especially a male, who dresses in the clothing of the opposite sex for psychological reasons).

Handicapped/Disabled Assistance Expenses

Reasonable expenses that are anticipated, during the period for which Annual Income is computed, for attendant care and auxiliary apparatus for a Disabled Family member, and that are necessary to enable a Family member (including the Disabled member) to be employed, provided that the expenses are neither paid to a member of the Family nor reimbursed by an outside source.

Handicapped/Disabled Person

A person having a physical or mental impairment that:

1. Is expected to be of long-continued and indefinite duration;
2. Substantially impedes the person's ability to live independently; and

3. Is of such a nature that such ability could be improved by more suitable housing conditions.

Has a Record of Such an Impairment

As used in the definition of Disability, means has a history of, or has been misclassified as having, a mental or physical impairment that substantially limits one or more major life activities.

Head of Household

The head of household is the adult member of the family who is designated for purposes of determining income eligibility and rent.

Hearing Officer/Hearing Panel

An impartial person or persons selected by the PHA, other than the person who made or approved the decision under review, or a subordinate of that person. Such individual or individuals do not need legal training.

Homelessness

Per PIH Notice 2013-15, the PIH definition for IMS-PIC reporting (Form 50058) is narrowed to the following two categories found in The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act).

Category 1: An individual or family who **lacks a fixed, regular, and adequate nighttime residence**, meaning:

1. An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground; **or**
2. An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals); **or**
3. An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;

Category 4: Any individual or family who:

1. **Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking**, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence; **and**
2. Has no other residence; **and**
3. Lacks the resources or support networks, e.g., family, friends, and faith-based or other social networks, to obtain other permanent housing

Household (Drug-Related and Criminal Activity)

The family and PHA-approved live-in aide.

Housing Agency (HA)

A State, county, municipality or other governmental entity or public body authorized to administer the program. The term "HA" has been replaced by the term "PHA" (Public Housing Agency) and no longer includes an Indian Housing Authority (IHA).

Housing Assistance Limitation for Single Persons

A single person who is not an elderly or displaced person, or a person with disabilities, or the remaining member of a resident family may not be provided public housing and other project-based assistance in a housing unit with two or more bedrooms.

Housing Manager/Assistant Housing Manager

A Housing Manager is any person who, irrespective of title, is responsible for the day-to-day management and operation, which may include the supervision of employees, of a low-income housing development or developments. An Assistant Housing Manager is any person who, irrespective of title, is responsible for assisting a Housing Manager in performing his/her managerial responsibilities.

Housing Provider (Responsible Entity)

1. The owner or manager of the housing facility;
2. The owner or manager of the common and public use areas of a housing facility, when the dwelling units are individually owned;
3. The term "housing provider" may include any person or entity that operates a housing facility. The term "housing provider" includes any person or entity that represents the property owners of a community in their housing interest, including homeowners or resident associations, whether or not there is common ownership operation of any portion of a community.

Housing Subsidies

Means, assistance to meet the costs and expenses of temporary shelter, rental housing or homeownership, and includes rent, mortgage or utility payments.

HUD

The Department of Housing and Urban Development or its designated officer or employee.

HUD Field Office

Any HUD Office that has been delegated authority under the U.S. Housing Act of 1937 to perform functions pertaining to the area in which the PHA is located.

Immigration and Naturalization Service (INS)

Now called the U.S. Citizenship and Immigration Services (CIS).

Imputed Welfare Income

The amount of annual income not actually received by a family, as a result of a specified welfare benefit reduction, that is nonetheless included in the family's annual income for purposes of determining rent.

Income Limits

HUD establishes Extremely Low-Income, Very Low-Income and Low-Income limits that are used to determine if assisted housing program applicants qualify for admission to HUD-assisted programs. These income limits are based on HUD estimates for area median family income (using Metropolitan Statistical Areas or Primary Metropolitan Statistical Areas as defined by the Office of Management and Budget (OMB), and the Bureau of the Census definition of family) with specific statutorily permissible adjustments. If the income limits based on this approach would be less than if based on the relevant State non-metropolitan median family income level, income limits are based on the State non-metropolitan family income level.

Income-Based Rent

An amount based on the projected family income for the subsequent 12 month period.

Indian

Any person recognized as being an Indian or Alaska Native by an Indian tribe, the Federal Government, or any State.

Individual Training Services Plan

Means a written plan that is prepared for the head of the FSS family, and each adult member of the FSS family who elects to participate in the FSS program, by the PHA in consultation with the family member, and which sets forth:

1. The supportive services to be provided to the family member;
2. The activities to be completed by that family member; and
3. The agreed upon completion dates for the services and activities. Each individual training and services plan must be signed by the PHA and the participating family member, and is attached to, and incorporated as part of the contract of participation. An individual training and services plan must be prepared for the head of the FSS family.

Individual with a Disability

A person having a physical or mental impairment that: (a) is expected to be of long-continued and indefinite duration; (b) substantially impedes the person's ability to live independently, and (c) is of such a nature that such ability could be improved by more suitable housing conditions.

Is Regarded as Having an Impairment

As used in the definition of Disability, means:

1. Has a physical or mental impairment that does not substantially limit one or more major life activities, but that is treated by another person as constituting such a limitation;

2. Has a physical or mental impairment that substantially limits one or more major life activities only as a result of the attitudes of others toward such impairment; or
3. Has none of the impairments defined under the definition of "physical or mental impairment," below, but is treated by another person as having such an impairment.

Kin-GAP Payments

Kin-GAP payments are subsidies that go to, or on behalf of, children leaving the juvenile court system to live with a relative or legal guardian. This is an excluded income.

Kinship Care Payments

Kinship care payments are foster care subsidies that go to, or on behalf of, children living with a relative or legal guardian. This is an excluded income.

Law Enforcement Agency

The National Crime Information Center (NCIC), police departments and other law enforcement agencies that hold criminal conviction records.

Lead-Based Paint

A paint surface, whether or not defective, identified as having a lead content greater than or equal to one microgram of lead per square centimeter (one centimeter is slightly more than three-eighths of an inch).

Live-In Aide

A person who resides with one or more elderly persons, or near-elderly persons, or persons with disabilities, and who:

1. Is determined by the PHA to be essential to the care and well-being of the person or persons;
2. Is not obligated for support of the person or persons, and
3. Would not be living in the unit except to provide necessary supportive services. (See the definition of Annual Income for treatment of a Live-In Aide's income.)

Local Preference

A preference used by the PHA to select among applicant families.

Location (or Site)

A term used to identify units located in any common geographical area. It may be a development, a portion of a development, two or more developments, or an entire development plus one or more portions of another development. If the units are divided by a major architectural or topographical barrier, such as a freeway, stream or retaining wall, that substantially impairs mutual access, the separated units constitute separate locations or sites.

Low-Income Family

A family whose Annual Income does not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD may establish

income limits higher or lower than 80 percent of the median income for the area on the basis of its finding that such variations are necessary because of the prevailing levels of construction costs or unusually high or low family income.

Major Life Activities

As used in the definition of Disability, means functions such as caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning and working.

Management Contract

A written agreement between a resident management corporation and a PHA as provided by 24 CFR 964.35, Management Responsibilities.

Marriage

Marriage certified by a formal marriage license, or an informal marriage, as may be specified in State or local laws or regulations.

Master-Meter System

A Utility distribution system in which a PHA is supplied Utility Service by a Utility supplier, through a system meter or meters, and distributes the Utility Service to its residents.

Medical Expenses

Those medical expenses, including medical insurance premiums, that are anticipated during the period for which Annual Income is computed, and that are not covered by insurance. (Medical expenses are allowable only for Elderly or Disabled Families.)

Minimum Rent

An amount of rent to be paid by each family as directed by HUD and determined by the PHA. The minimum rent amount must be established between \$00.00 and \$50.00 and includes the utility allowance. Hardship exemptions as outlined in the Admissions and Continued Occupancy Policy and Dwelling Lease apply.

Minor

A person who is under the age of legal competence, unless otherwise determined by State Law.

Mixed Family

A family whose members include those with citizenship or eligible immigration status, and those without citizenship or eligible immigration status.

Mixed Population Project

A public housing project, or portion of a project that is reserved for elderly families and disabled families at its inception (and has retained that character). If the project was not so reserved at its inception the PHA has obtained HUD approval to give preference in Tenant Selection for all units in the project (or portion of project) to elderly families and disabled families. These projects formerly were known as elderly projects.

Monthly Adjusted Income

One-twelfth of Adjusted Income.

Monthly Income

One-twelfth of Annual Income.

National

A person who owes permanent allegiance to the United States, for example, as a result of birth in a United States territory or possession, including Puerto Rico, the U.S. Virgin Islands, Guam, Canal Zone, etc.

Near-Elderly Person/Family

Near-elderly family means a family whose head (including co-head), spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons, who are at least 50 years of age but below the age of 62, living together; or one or more persons who are at least 50 years of age but below the age of 62, living with one or more live-in aides.

Net Family Assets

1. Net cash value after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD home-ownership programs or FSS savings accounts.
2. The value of necessary items of personal property, such as furniture and automobiles, shall be excluded.
3. In cases where a trust fund has been established and the trust is not revocable by, or under the control of any member of the Family or household, the value of the trust fund will not be considered an asset so long as the fund continues to be held in trust. Any income distributed from the trust fund shall be counted when determining Annual Income.
4. In determining Net Family Assets, the PHA shall include the value of any assets disposed of by an applicant or resident for less than fair market value, (including a disposition in trust, but not in a foreclosure or bankruptcy sale) during the two years preceding the date of application for the program, or reexamination, as applicable, in excess of the consideration received therefore. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be for less than fair market value if the applicant or resident received important consideration not measurable in dollar terms.

Non-citizen

A person who is neither a citizen nor a national of the United States.

Normal Wear and Tear

Means deterioration which occurs, based upon the use for which the rental unit is intended, without negligence, carelessness, accident, abuse or intentional damage of the premises,

equipment or chattels of the owner by the resident, members of the resident's household, or by his/her invitees or guests. However, un-cleanliness does not constitute normal wear and tear.

Occupancy Standards

These standards are established by the PHA for determining the number of bedrooms required for families of different sizes and compositions.

Older Person

A person 55 years of age or older.

Other Person Under the Tenant's Control, for the Purposes of the Definition of Covered Person (Drug-Related and Criminal Activity)

The person, although not staying as a guest (as defined under "guest") in the unit, is, or was at the time of the activity in question, on the premises (as defined under "premises") because of an invitation express or implied from the tenant or other member of the household who has express or implied authority to so consent on behalf of the tenant. Absent evidence to the contrary, a person temporarily and infrequently on the premises solely for legitimate commercial purposes is not under the tenant's control.

Over-Income Family

An individual or family who is not a low-income family at the time of initial occupancy. An individual or family whose annual income for eligibility purposes exceeds eight percent (80%) of the median income for the PHA's area of operation.

Participant

Has the following meaning for the programs referred to in the regulations.

1. Part 960: a resident under the program.
2. Part 905: a resident or homebuyer under the program.

Partnership Process

A specific and ongoing process that is designed to ensure that residents, resident groups, and the PHA work in a cooperative and collaborative manner to develop, implement and monitor the CIAP or CGP. At a minimum, a PHA shall ensure that the partnership process incorporates full resident participation in each of the required program components.

Passbook Rate

The interest rate, as determined by the PHA, used in calculating the imputed income from assets over \$5,000.

Passbook Rate Calculation

The PHA will use the actual Savings National Rate that is in effect on the first day of the PHA's fiscal year. The PHA will review the Savings National Rate annually and adjust it accordingly on the first day of the PHA's fiscal year. Current and historical Savings National Rates may be accessed at www.fdic.gov/regulations/resources/rates/.

Paying More Than 50 Percent of Family Income for Rent

See the definition of Rent Burden Preference, below.

Person in the Business of Selling or Renting Dwellings means any person who:

1. Within the preceding twelve (12) months, has participated as principal in three or more transactions involving the sale or rental of any dwelling or any interest therein;
2. Within the preceding twelve months, has participated as agent, other than in the sale or his or her own personal residence, in providing sales or rental facilities or sales or rental services in two or more transactions involving the sale or rental of any dwelling or any interest therein; or
3. Is the owner of any dwelling designed or intended for occupancy by, or occupied by, five or more families.

PHAS (Public Housing Assessment Program)

The revised assessment program for public housing a authority that became effective on October 1, 1998, and applies first to housing authorities with fiscal years ending September 30, 1999.

PHMAP

This assessment program has been replaced by PHAS.

The Public Housing Management Assessment Program (PHMAP) is a process designed to allow HUD and the PHA to identify PHA management capabilities and deficiencies, and to lead to overall better management of the public housing program, in accordance with 24 CFR part 901.

Physical or Mental Impairment

As used in the definition of Disability, includes:

1. Any physiological disorder or condition, cosmetic disfigurement, or anatomical loss affecting one or more of the following body systems: Neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive; digestive; Genitourinary; hemic and lymphatic; skin; and endocrine; or
2. Any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities.

The term "physical or mental impairment" includes, but is not limited to, such diseases and conditions as orthopedic, visual, speech and hearing impairments, cerebral palsy, autism, epilepsy, muscular dystrophy, multiple sclerosis, cancer, heart disease, diabetes, Human Immunodeficiency Virus infection, mental retardation, emotional illness, drug addiction (other than addiction caused by current, illegal use of a controlled substance) and alcoholism.

Police Officer

A person determined by the PHA to be, during the period of residence of that person in public housing, employed on a full-time basis as a duly licensed professional police officer by a Federal, State or local government or by any agency of these governments. An officer of an accredited police force of a housing agency may qualify.

Preference Over Single Persons

The following preference has been eliminated unless the PHA specifically adopts this preference locally: An applicant that is a one-or two-person elderly, disabled or displaced family, must be given a preference over an applicant that is a single person who is not an elderly, displaced person, or a person with disabilities, regardless of the applicant's local preferences.

Premises

Means, facilities, appurtenances, areas and other facilities held out for use of the resident, or whose use is promised to the resident coincidental with occupancy of a dwelling unit. For purposes of Drug-Related and Criminal Activity, premises means, the building or complex or development in which the public housing unit is located, including common areas and grounds.

Preponderance of Evidence

Evidence which is of greater weight or more convincing than the evidence which is offered in opposition to it; that is, evidence which as a whole shows that the fact sought to be proved is more probable than not. Preponderance of the evidence may not be determined by the number of witnesses, but by the greater weight of all evidence.

Processing Entity

The person or entity that, under any of the programs covered in 24 CFR, Part 5.210-5.238, is responsible for making eligibility and related determinations and any income reexaminations.

Project (Development)

Includes any of the following that meet the requirements of 24 CFR, Part 964, Resident Participation and Management in Public Housing:

1. One or more contiguous buildings;
2. An area of contiguous row houses;
3. Scattered site buildings.

The whole of one or more residential structures and appurtenant structures, equipment, roads, walks, and parking lots which are covered by a single contract for Federal financial assistance or application for assistance, or are treated as a whole for processing purposes, whether or not located on a common site.

Project (Development) for the Elderly or Disabled (24 CFR, Section 942.3)

Means any development assisted under the United States Housing Act of 1937 (other than under Section 8 or Section 17 of the Act), including any building within a mixed-use development, that was designated for occupancy by the elderly or disabled at its inception, or, although not so designated, for which the PHA gives preference in Tenant Selection (with HUD approval) for all units in the development (or for a building within a mixed-use development) to elderly or disabled families. For the purposes of 24 CFR, Part 942, Pet Ownership in Public Housing for the Elderly or Disabled, this term does not include developments assisted under the Low-Rent Housing

Homeownership Opportunity program--Turnkey III; 24 CFR, Part 5.300 et al, or under Title II of the U.S. Housing Act of 1937--Indian Housing; 24 CFR, Part 905.

Public Housing Agency (PHA)

Any State, county, municipality, or other governmental entity or public body, (or agency or instrumentality thereof) that is authorized to engage in or to assist in the development or operation of low-income housing. For the purposes of 24 CFR, Part 942, Resident Participation and Management in Public Housing, the term Public Housing Agency does not include Indian Housing Authorities.

Public Use Areas

Interior or exterior rooms or spaces of a building that are made available to the general public. Public use may be provided at a building that is privately or publicly owned.

Qualified Individual With Disabilities

1. With respect to employment, an individual with disabilities who, with reasonable accommodation, can perform the essential functions of the job in question; and
2. With respect to any non-employment program or activity which requires a person to perform services or to achieve a level of accomplishment, an Individual With Disabilities who meets the essential eligibility requirements and who can achieve the purpose of the program or activity without modifications in the program or activity that the recipient can demonstrate would result in a fundamental alteration in its nature; or
3. With respect to any other non-employment program or activity, an Individual With Disabilities who meets the essential eligibility requirements for participation in, or receipt of benefits from, that program or activity.
4. Essential eligibility requirements include stated eligibility requirements, such as income, as well as other explicit or implicit requirements inherent in the nature of the program or activity, such as requirements that an occupant of multifamily housing be capable of meeting the recipient's selection criteria, and be capable of complying with all obligations of occupancy with or without supportive services provided by persons other than the recipient. For example, a chronically mentally ill person whose particular condition poses a significant risk of substantial interference with the safety or enjoyment of others or with his or her own health or safety, in the absence of necessary supportive services, may be "qualified" for occupancy in a development where such supportive services are provided by the recipient as part of the assisted program. The person may not be "qualified" for a development lacking such services.

Reasonable Accommodation

Means making alterations or adaptation to provide access to otherwise qualified individuals with disabilities, in the use of the program and facilities, without causing undue hardship or substantially altering the program or activity.

Remaining Member of a Tenant/Resident Family

Means a person who was a member of a household occupying a PHA dwelling unit, and who remains in the unit after other members of the household have departed, usually because of marriage, separation, divorce, death, or long-term illness requiring placement in a nursing home or other facility.

Rent

See definitions of rent as stated in Rent Burden Preference as noted below.

Rent Burden Preference

1. "Rent burden preference" means the preference for admission of applicants that pay more than 50 percent of family income for rent.
2. For purposes of determining whether an applicant qualifies for the rent burden preference:
 - a) "Family income" means Monthly Income, as defined in 24 CFR 5.603.
 - b) "Rent" means:
 - (1) The actual monthly amount due under a lease or occupancy agreement between a family and the family's current landlord; and
 - (2) For utilities purchased directly by residents from utility providers:
 - a. The utility allowance for family-purchased utilities and services that is used in the PHA resident-based program, or
 - b. If the family chooses, the average monthly payments that the family actually made for these utilities and services for the most recent 12-month period or, if information is not obtainable for the entire period, for an appropriate recent period.
 - c. Amounts paid to or on behalf of a family under any energy assistance program must be subtracted from the otherwise applicable rental amount, to the extent that they are not included in the family's income.
 - d. For PHAs and IHAs administering programs under 24 CFR Chapter IX, the utility allowance would represent the PHA's or the IHA's estimate of the cost of utilities.
3. An applicant does not qualify for a rent burden preference if either of the following is applicable:
 - a) The applicant has been paying more than 50 percent of income for rent for less than 90 days.
 - b) The applicant is paying more than 50 percent of family income to rent a unit because the applicant's housing assistance for occupancy of the unit under any of the following programs has been terminated because of the applicant's refusal to comply with applicable program policies and procedures on the occupancy of under-occupied and overcrowded units:

- (1) The Section 8 programs or public and Indian housing programs under the United States Housing Act of 1937;
 - (2) The rent supplement program under section 101 of the Housing and Urban Development Act of 1965; or
 - (3) Rental assistance payments under section 236(f)(2) of the National Housing Act.
4. An applicant may not qualify for a rent-burden preference if the applicant is paying more than fifty percent (50%) of family income to rent a unit because the applicant's housing assistance with respect to that unit has been terminated as a result of his or her refusal to comply with applicable program policies and procedures regarding the occupancy of under-occupied and overcrowded units.

Residency Preference

A PHA preference for admission of families that reside anywhere in a specified area, including families with a member who works or has been hired to work in the area ("residency preference area").

Residency Preference Area

The specified area where families must reside to qualify for a residency preference.

Resident

Means a person entitled, under a rental agreement, to occupy a dwelling unit in peaceful possession, to the exclusion of others, and includes the owner of a mobile home renting premises, other than a lot or parcel in a mobile home park, for use as a site for the location of the mobile home.

Resident Council

An incorporated or unincorporated non-profit organization or association that meets each of the following requirements:

1. It must be representative of the residents it purports to represent.
2. It may represent residents in more than one development or in all of the developments of a PHA, but it must fairly represent residents from each development that it represents.
3. It must adopt written procedures providing for the election of specific officers on a regular basis (but at least once every three years).
4. It must have a democratically elected governing board. The voting membership of the board must consist of residents of the development or developments that the resident organization or resident council represents.

Resident Groups

Democratically elected resident groups such as PHA-wide resident groups, area-wide resident groups, single development resident groups, or RMCs.

Resident Management

The performance of one or more management activities for one or more developments by a resident management corporation under a management contract with the PHA.

Resident Management Corporation

The entity that proposes to enter into, or enters into, a management contract with a PHA that meets the requirements of 24 CFR, Part 964, Subpart C, Resident Management Under Section 20 of the U.S. Housing Act of 1937. The corporation must have each of the following characteristics:

1. It must be a non-profit organization that is incorporated under the laws of the State in which it is located.
2. It may be established by more than one resident organization or resident council, so long as each such organization or council (a) approves the establishment of the corporation and (b) has representation on the Board of Directors of the corporation.
3. It must have an elected Board of Directors.
4. Its bylaws must require the Board of Directors to include representatives of each resident organization or resident council involved in establishing the corporation.
5. Its voting members must be residents of the development or developments it manages.
6. It must be approved by the resident council. If there is no council, a majority of the households of the development must approve the establishment of such an organization to determine the feasibility of establishing a corporation to manage the development.
7. It may serve as both the resident management corporation and the resident council, so long as the corporation meets the requirements of 24 CFR, Part 964, for a resident council.

Responsible Entity

The PHA administering the low-income public housing program under an ACC with HUD.

Retail Service

Purchase of utility service by PHA residents directly from the utility supplier.

Section 214

Section 214 of the Housing and Community Development Act of 1980, as amended (42 U.S.C. 1436a). Section 214 restricts HUD from making financial assistance available for non-citizens unless they meet one of the categories of eligible immigration status specified in Section 214.

Section 214 Covered Programs

Programs to which the restrictions imposed by Section 214 apply are programs that make available financial assistance pursuant to the United States Housing Act of 1937 (42 U.S.C. 1437-1440), Section 235 or Section 236 of the National Housing Act (12 U.S.C. 1715z-1) and Section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s).

Section 504

Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794, as it applies to programs or activities receiving Federal financial assistance.

Self-Sufficiency

Means, a FSS family is no longer receiving welfare assistance. Achievement of self-sufficiency, although a FSS program objective, is not a condition for receipt of the FSS account funds.

Sexual Orientation

Means homosexuality, heterosexuality or bisexuality.

Single Person

A person who lives alone, or intends to live alone, and who does not qualify as an Elderly Family, a Displaced Person, or the Remaining Member of a Resident Family.

Social Security Number

The number that is assigned to a person by the Social Security Administration of the Department of Health and Human Services, and that identifies the record of the person's earnings that are reported to the Administration. The Social Security Number has nine digits separated by hyphens, as follows: 000-00-0000. It does not include a number with a letter as a suffix that is used to identify an auxiliary beneficiary under the Social Security System.

Special Admission

Admission of an applicant that is not on the PHA waiting list or without considering the applicant's waiting list position.

Specified Welfare Benefit Reduction

A reduction of welfare benefits, in whole or in part, for a family member, as determined by the welfare agency, because of fraud by a family member in connection with the welfare program or because of welfare agency sanction against a family member for noncompliance with a welfare agency requirement to participate in an economic self-sufficiency program. It does not include a reduction or termination of welfare benefits by the welfare agency:

1. at expiration of a lifetime or other time limit on the payment of welfare benefits;
2. because a family member is not able to obtain employment, even though the family member has complied with welfare agency economic self-sufficiency or work activities requirements;
3. because a family member has not complied with other welfare agency requirements.

Spouse

Means: the husband or wife of the head of the household. Spouse refers to the marriage partner, either a husband or wife, who is someone you need to divorce in order to dissolve the relationship. It includes the partner in a common-law marriage. It does not cover boyfriends, girlfriends, significant others, or "co-head." "Co-head" is a term recognized by some HUD programs, but not

in public and Indian housing programs. This definition applies to Restrictions on Assistance to Non-citizens.

Stalking

The term 'stalking' means engaging in a course of conduct directed at a specific person that would cause a reasonable person to fear for his or her safety or the safety of others; or suffer substantial emotional distress.

Stalking may include to follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate another person; and/or to place under surveillance with the intent to kill, injure, harass, or intimidate another person; in the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily harm to: (i) that person; (ii) a member of the immediate family of that person; or (iii) the spouse or intimate partner of that person. Immediate family member means, with respect to a person- - a spouse, parent, brother or sister, or child of that person, or an individual to whom that person stands in loco parentis; or any other person living in the household of that person and related to that person by blood and marriage.

Statement of Family Responsibility

An agreement, in the form prescribed by HUD, between the PHA and a family to be assisted under the Program, stating the obligations and responsibilities of the two parties.

Surcharge

The amount charged to residents for the consumption of Utilities in excess of a reasonable allowance therefore, based on Utility use determined by means of a check-meter. The amount charged by the PHA to a resident, in addition to the Tenant Rent, for the consumption of Utilities in excess of the Allowance for PHA-Furnished Utilities, or for estimated consumption attributable to Resident-owned major appliances, or to optional functions, such as air conditioning, of PHA-furnished equipment. Surcharges calculated pursuant to Section 965.477(b), based on estimated consumption where check-meters have not been installed, are referred to as "Scheduled Surcharges."

Tenant (Resident)

Any lessee or the remaining head of the household of any resident family residing in PHA-owned or leased housing accommodations.

Tenant (Resident) Participation

A process of consultation between residents and the PHA concerning matters affecting the management of public housing, as a means of providing residents with information about PHA plans and decisions and affording them opportunities to make comments and recommendations, on an advisory basis, about those plans and decisions.

Tenant Rent

1. The amount payable monthly by the Family as rent to the PHA.
2. Where all utilities (except telephone & cable) and other essential housing services are supplied by the PHA, Tenant Rent equals Total Tenant Payment.
3. Where some or all utilities (except telephone & cable) and other essential housing services are not supplied by the PHA, and the cost thereof is not included in the amount paid as rent, Tenant Rent equals Total Tenant Payment less the Allowance for Tenant-Purchased Utilities.

Term

Means the period of occupancy specified in the rental agreement. Effective April 28, 2000, the term of the lease agreement for public housing units is 12 months and automatically renewable except for non-compliance with the community service requirement, where applicable.

Total Tenant Payment

1. Total Tenant Payment for families whose initial lease was effective on or after August 1, 1982.
Total Tenant Payment is the amount calculated under section 3(a)(1) of the 1937 Act (42 U.S.C. 1437a(a)(1)). Total Tenant Payment shall be the highest of the following, rounded to the nearest dollar:
 - a) Thirty percent (30%) of Monthly Adjusted Income;
 - b) Ten percent (10%) of Monthly Income; or
 - c) If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under paragraph (C) of section 3(a)(1) of the 1937 Act (42 U.S.C. 1437a(a)(1)(C)) shall be the amount resulting from one application of the percentage.
 - d) A minimum rent as adopted by the PHA.
2. Total Tenant Payment for families residing in public housing does not include charges for excess utility consumption or other miscellaneous charges.
3. Total Tenant Payment for families residing in public housing whose initial lease was effective before August 1, 1982. Paragraphs (b) and (c) of 24 CFR 913.107, as it existed immediately before November 18, 1996 (contained in the April 1, 1995 edition of 24 CFR, parts 900 to 1699), will continue to govern the total Tenant Payment of families, under a public housing program, whose initial lease was effective before August 1, 1982.
4. Mutual-help home ownership developments.
Paragraphs 1 of this section shall not apply to Mutual Help Home ownership developments (see 24 CFR, Part 905, section 905.416).
5. Total Tenant Payment does not include any Surcharge or other miscellaneous charges.

Unit Size

Unit size or size of unit refers to the number of bedrooms in a dwelling unit.

Unreimbursed Medical Expense Costs

This deduction is granted only to elderly or disabled families. A range of medical expenses and services can be claimed to the extent that the total medical expenses exceed three percent (3%)

of annual income. Determination of eligibility for reimbursement of expenses will be consistent with the current IRS Publication 502.

U.S. Citizenship and Immigration Services (CIS)

Formerly called the Immigration and Naturalization Service (INS).

Utility Allowance

The cost of utilities (except telephone & cable) and other housing services for an assisted unit that is not included in the Tenant Rent, but is the responsibility of the family occupying the unit, and an amount equal to the estimate made and adopted by the PHA of the monthly cost of a reasonable consumption of such utilities and other services for the unit, by an energy conservative household of modest circumstances, consistent with the requirements of a safe, sanitary, and healthful living environment.

Utility Reimbursement

Where applicable, the utility reimbursement shall be paid to the family in the manner provided in the pertinent program regulations. A PHA or owner may pay the utility reimbursement directly to the utility company without the consent of the family; however, the PHA must advise the family of the amount paid.

Verification Technique Definitions:

1. Upfront Income Verification (UIV) (Level 6/5)

The verification of income before or during a family reexamination, through an independent source that systematically and uniformly maintains income information in computerized form for a number of individuals.

2. Written Third Party Verification (Level 4)

An original or authentic document generated by a third party source dated either within the 60-day period preceding the reexamination or PHA request date.

3. Written Third Party Verification Form (Level 3)

A standardized form to collect information from a third party source (also known as traditional third party verification). The form is completed by the third party by hand (in writing or in typeset). PHAs send the form directly to the third party source by mail, fax, or email.

4. Oral Third Party Verification (Level 2)

Independent verification of information by contacting the individual income/expense source(s), as identified through the UIV technique or identified by the family, via telephone or in-person visit.

5. Tenant Declaration (Level 1)

The tenant submits an affidavit or notarized statement of reported income and/or expenses to the PHA.

Very Low-Income Family

1. A low-income family whose annual income does not exceed 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families.
2. HUD may establish income limits higher or lower than 50 percent of the median income for the area, on the basis of its finding that such variations are necessary because of unusually high or low family incomes.

Veteran

1. Means any person honorably discharged from the Armed Forces of the United States, who served in any of the following wars or conflicts, but not limited to these, World War I, between April 6, 1917, and November 11, 1918, both dates inclusive; or in World War II, on or after December 7, 1941, until final cessation of all hostilities; or in the Korean Conflict; Lebanon Crisis; Berlin Crisis; the Congo; the Dominican Republic, and Vietnam.
2. "Veteran" does not include a person enlisted and accepted for active training only for a period of six (6) months or less.

Violent Criminal Activity

Any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be likely to cause, serious bodily injury or property damage.

Welfare Assistance

Welfare or other payments to families or individuals, based on need, that are made under programs funded, separately or jointly, by Federal, State or local governments.

NOTICE

The Nelrod Company has made its best efforts to comply with regulations, laws, and Federal/local policies. The Nelrod Company does not offer advice on legal matters or render legal opinions. We recommend that the Housing Authority's general counsel and/or attorney review this policy prior to approval by the Board of Commissioners.

The Nelrod Company is not responsible for any changes made to these policies by any party other than The Nelrod Company.