

Housing Assistance Public Rental Housing Assistance Program (Meaning of income) Operation Guideline 2008 (No 1)

Notifiable Instrument NI2008- 172

made under the

Housing Assistance Act 2007 s21(1) Approved housing assistance programs—housing operation guidelines

1 Name of instrument

This instrument is the *Housing Assistance Public Rental Housing Assistance Program (Meaning of income) Operation Guideline 2008 (No 1)*.

2 Commencement

This instrument commences on the day after its notification.

3 Operation Guideline

In accordance with section 21(1) of the *Housing Assistance Act 2007* I issue this housing operation guideline for the *Housing Assistance Public Rental Housing Assistance Program 2007* ("the Program").

Purpose

To outline how income is to be treated for all purposes of the Program, including lump sum payments, deemed income, and exempt income and payments.

Scope of clause 11

1. The definition of income at clause 11 is applicable for all purposes of the program, including the assessment of threshold eligibility at the date of application and reassessment, as well as rent rebates.

Relevant provision of the Program

Clause 11 – Meaning of income

2. Clause 11 specifies the meaning of income in considerable detail. In general the program requires that all personal earnings and any other amounts a person has earned, derived, received or become entitled to, should be taken into account for assessing income.

Exempt income

3. Income does not include income that the housing commissioner determines is not income for the program or payments for a purpose determined by the housing commissioner for the program. The housing commissioner has made a Determination exempting various forms of income and assets (Notifiable Instrument 2007-369).

Deeming

4. Subclause 11(3) empowers the housing commissioner to take into account (deem) income that a person could have obtained had the person taken reasonable action available to them. For example, if a person was entitled to Newstart allowance but decided not to apply for it they could be deemed to be receiving Newstart Allowance for the purpose of assessment.

Self-employed

5. A similar arrangement applies to self-employed persons whose income is stated to be less than a relevant pension or benefit such as Newstart Allowance. In that case they may be deemed to be receiving an amount equivalent to Newstart in accordance with subclause 11(3)(c).

Gross income to be used

6. Gross income is used for assessment purposes rather than net income. Gross income is not affected by salary packaging arrangements. Where a person enters into a salary packaging arrangement resulting in an entitlement being foregone or “sacrificed” and this has been deducted from their gross income on the documentation provided, the amount must be added back on to derive total gross income.

Gross income means income before the deduction of tax.

