

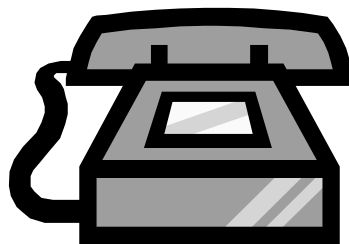
How Can I Apply for the Earned Income Exclusion?

- 1) **Ask your Housing Commission to decide if you qualify whenever you report increased earnings.**

The Housing Commission may ask you to fill out a form or provide additional information to make sure you are eligible. Be sure to keep a copy of any form for your records.

- 2) **Try to keep a record of any training, or any help from government agencies you receive.**
- 3) **Get a decision in writing. If you disagree, you can file for a grievance. You should seek legal help.**

If you have problems getting the earned income exclusion, contact



The Earned Income Exclusion



How public housing residents can earn more income without paying more rent.

What is the Earned Income Exclusion?

The earned income inclusion allows your rent to stay the same under certain conditions, even if your income goes up. This earned income exclusion is currently only for residents of public housing, but may eventually also apply to Section 8 tenants.

Who Should Apply?

You should apply for the earned income exclusion, if you:

- ✓ Live in public housing
- ✓ Have participated in (or are currently participating in) Work First or another family self-sufficiency or job training program
- ✓ Earn more money than before you were enrolled in the Work First Program.

NOTE: You may qualify for this exemption for increased earnings if you participated in an employment and training program at any time after 1994. For more information and to see if you qualify, contact your local housing commission.

The Earned Income Exclusion Rules Until October 1, 1999

Who is eligible?

Public Housing residents who:

- Have participated in Work First or another government-funded employment training program, **AND**
- Started earning more money since entering the training program and within the last 18 months

How does it work?

The current law requires that a public housing commission can not count any of your additional income if the extra income you receive is from a job you got after participation in Work First, JTPA or another government funded employment and training program. In other words, your rent will stay the same for 18 months after you get a job, even if your income goes up. You may have to prove your participation in Work First led to the job.

This law is in effect for any income increases before October 1, 1999.

The Earned Income Exclusion...After October 1, 1999

Who is eligible?

Public Housing residents who have started a job **AND who**

- Receive Family Independence Program (FIP) cash assistance or certain other types of public assistance or services **or**
- Have Received FIP benefits or other qualifying assistance in the 6 months before starting the job **or**
- Are in any employment & training program when they start the job **or**
- Have earned less than 500 x the minimum wage or unemployed during the 12 months before the income change.

How does the new law work?

Beginning October 1, 1999, the rules will be different. During the first 12 months after you get a job or pay raise, ALL of your additional income must be disregarded, or not counted, when calculating your rent. For the second 12 months, your rent can only increase by half of what it would have increased without the disregard.