

DATE: April 17, 2020

TO: All LIHTC, HOME, NSP and SCHDF Development Owners/Managers

SUBJECT: Treatment of Household Stimulus Payments under the CARES Act

The CARES Act authorized stimulus payments to qualifying individuals up to \$1,200.00 per adult and \$500.00 for each child to aid households during the global pandemic. In addition, the CARES Act also expanded unemployment benefits providing an additional \$600.00 per week in temporary unemployment benefits.

Under the LIHTC, HOME, NSP and some SCHDF programs Owners are required to calculate the household's annual income to determine initial and ongoing eligibility. We have received a few questions about calculating the household's income, specifically about the stimulus and unemployment payments.

The Department of Housing and Urban Development released the following guidance in their 'Multifamily Q&A for COVID-19' earlier this morning, which states:

Q4: Are household payments under the CARES Act reportable as tenant income?

A: Household stimulus payments of up to \$1,200 (which is technically an advance tax credit) and the temporary \$600 per week federal enhancement to unemployment insurance provided by the CARES Act are not to be included in calculations of income. However, HUD notes that regular payments of unemployment insurance (issued by the state) are treated as income, as is customary under program rules.

A copy of the 'Multifamily Q&A for COVID-19' document can be found at https://www.hud.gov/sites/dfiles/Housing/documents/HUD_Multifamily_Corona_QA_FINAL.pdf. HUD is updating this document frequently as additional guidance is issued in response to COVID-19.

Should you have any questions regarding this guidance or income calculations in general, please feel free to contact me at (907) 330-8414 or via email at jgatfield@ahfc.us.

Sincerely,



Jerusha Gatfield
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Internal Audit Department
Alaska Housing Finance Corporation