

## Income Eligibility

NYSERDA's 1-4 family residential programs provide clean energy incentives and services to a wide variety of New Yorkers. Some of these incentives are income based. The following document outlines how NYSERDA determines the household income of a program applicant to one of NYSERDA's low- to moderate income programs described below.

Individual program guidelines specify that households with income at or below 60% State Median Income will qualify for low-income incentives. Households with income at or below 80% Area Median Income or State Median Income (whichever is higher), but greater than 60% State Median Income, will qualify for moderate-income incentives. Collectively, program applicants from these income levels are considered to be low-to moderate income (LMI) households.

Households applying to the programs can use either a paper application (available in multiple languages) or the online application. Both versions of the application can be found [here](#).

All proof of income must have an address that matches the address of the property on the application. If a customer has recently moved, they need to provide either a lease with their name on it, deed, or a driver's license/non-driver ID listing the application address as their address. If an applicant provides multiple income documents to the Program, NYSERDA will use the most recent for purposes of determining income eligibility

### **Income Eligibility Methods**

There are multiple ways in which a household may qualify for NYSERDA low-to-moderate income (LMI) programs:

#### **Referrals**

NYSERDA receives referrals from multiple state agencies and utilities and performs outreach to these households informing them of program offerings. Customers referred through these sources are eligible for low-income incentives without providing additional proof of income documentation providing their application is received before the referral expires. NYSERDA provides referral codes that can be entered when completing the online application which allows the applicant to bypass further income verification. Referrals are valid for 12 months from the date they are received by NYSERDA.

#### **Categorical Eligibility**

Income-eligible customers who receive benefits from other select New York State organizations serving low-income residents are considered categorically eligible. These organizations include:

- HEAP (Home Energy Assistance Program)
- SNAP (Supplemental Nutrition Assistance Program/Food Stamps)/SNAP NYC
- SSI (Supplemental Security Income)- (this is different from Social Security Retirement or Disability benefits which are used as income sources for Standard Eligibility)

- TANF (Temporary Assistance for Needy Families)
- Weatherization Assistance Program
- Public Assistance

If a member of the applicant's household over the age of 18 currently receives benefits from these services and can provide an award letter or benefit statement dated within the last 12 months and demonstrates an active benefits window, the household is considered income eligible. A copy of the complete award letter/benefit statement must be included with the program application.

#### HEAP Award letters

A HEAP award letter/benefit statement will come from the Office of Temporary and Disability Assistance (OTDA) and must be dated within the last 12 months and match the address on the application to be valid for income documentation purposes. Both HEAP Cooling and HEAP Heating documentation is acceptable.

#### **Standard Eligibility**

Standard eligibility is determined by various forms of income documentation to determine gross annual income for all household members over the age of 18 (unless they are a dependent of the applicant on the most recent tax filing.) For household members without income who are married to another household member, the joint income tax return should be used if one was filed.

Full time students who are members of the household but who are not dependents of the applicant must list all sources of income. Loans (including student loans) will not be counted as income.

NYSERDA uses a household's overall gross income to determine program eligibility, not the net income. Gross income is the earnings that a household receives before federal and state taxes are taken out for the fiscal year. Net income refers to "take home" pay.

Below is a chart to help you determine annual gross income from the appropriate forms. In cases where a homeowner's gross income does not appear to provide enough income to maintain a home, the program may ask the homeowner to apply for the HEAP program prior to approving the NYSERDA program application.

**NOTE:** For students residing in rental housing, income documentation must be provided (income from student loans is excluded.) Students who can be claimed as a dependent on another's tax return are not considered part of the household for the rental unit, and any countable income would be counted at their parent/guardian's home. Households that consist solely of a single full time student occupant with no proof of income may be required to show proof of full time student status.



| Benefit   | Form  | Time Period                      | Calculation                            |
|---|---|----------------------------------|--|
| <b>Alimony</b>  | Court Award Letter or Printout from Domestic Relations  | Within the last 12 months        | (Monthly Benefit) X 12 = Annual Income |
| <b>Annuities</b>  | Bank Statement  | Within the last 12 months        |  |
| <b>Business/Farm Income</b>   | Previous Year's Tax Return/<br>IRS Report of Quarterly Earnings for the previous three months<br>Business records for three months prior to the date of the application   | Within the last 12 months        |  |
| <b>Disability</b>   | Benefit Statement or Award Letter   | Within the last 12 months        | (Monthly Benefit) X 12 = Annual Income |
| <b>Estates or Trusts, as regular source of income</b>               | Fiduciary statement or current statement bank or brokerage firm.  | Within the last 12 months        |  |
| <b>Gambling or Lottery Winnings (net)</b>                           | Statement of net winnings.  | Within the last 12 months        |  |
| <b>HUD Form 50059</b>   | Copy of the current form for the tenant.  | Within the last 12 months        |  |
| <b>Insurance Proceeds or Dividends, as regular source of income</b> | Statement from insurance company (note: one-time insurance payments or compensation for injury are not considered income.)  | Within the last 12 months        |  |
| <b>Interest Income</b>  | Bank Statement  | Within the last 12 months        |  |
| <b>IRS Tax Form Transcript</b>                                      | Legal Transcript from IRS showing a transcript of the customer's return   | Within the last year (until May) | Check adjusted gross income            |
| <b>Pension</b>  | Benefit Statement<br>1099-R<br>Pension check stub<br>letter from Pension Board  | Within the last 12 months        | (Monthly Benefit) X 12 = Annual Income |
| <b>Rental Income</b>  | Income tax form; rent receipts; notarized statement from applicant listing each apartment and the rent received per month, as well as the description and amount of deductible expenses. When the tenant is a family member and is paying no rent to the owner, a notarized statement should be received from the tenant and signed by the owner stating that no rents are being collected. | Within the last 12 months        |  |



| Benefit                           | Form   | Time Period                           | Calculation   |
|-----------------------------------|--|---------------------------------------|---|
| <b>Royalties</b>                  | Income tax return; current statement from company issuing checks   | Within the last 12 months             |   |
| <b>Salaries/Wages</b>             | 4 consecutive weeks of paystubs  | Dated in the last 60 days             | Weekly: (sum of 4 consecutive paystubs) X 13 = Annual Income<br>Bi-Weekly: (sum of 2 consecutive biweekly paystubs) X 13 = Annual Income<br><br>Twice Monthly: (sum of 2 consecutive bimonthly paystubs) X 12 = Annual Income<br>(Month Total) X 12 = Annual Income   |
| <b>Self-employment Income</b>     | Business records for 3 months prior to the date of application; IRS form for income from previous year; notarized statement of gross adjusted income, including list of deductions and amounts, for previous 3 months.<br><br><i>NOTE: 1099 forms for contractors/self-employed individuals are not acceptable</i> | Within the last 12 months             | Quarterly AGI X 4 = Annual Income   |
| <b>Social Security</b>            | Award Letter, Benefit Statement, 1099 Social Security Benefit Statement, 1099-R  | Within the last 12 Months             | (Monthly Benefit) X 12 = Annual Income  |
| <b>Social Security Disability</b> | Award Letter, Benefit Statement  | Within the last 12 Months             | (Monthly Benefit) X 12 = Annual Income  |
| <b>Tax Documentation</b>          | 1040, 1040 A, 1040-SR, 1040-X, W2  | Most recent tax year (through May 31) | For 1040 variations, use Adjusted Gross Income. For W2 use Box 1 - Wages, Tips, and Other Compensation.<br><br>Applicants who were granted a 6-month extension must provide Form 4868 along with their 1040 (which is what is filed with the IRS requesting the extension and shows their name, address, and estimated tax liability) |
| <b>Veteran's Benefits</b>         | Award letter from Veterans Administration of Department of Defense; copy of check.   | Within the last 12 months             |   |
| <b>Worker's Compensation</b>      | Formal letter from insurance company   | Dated in the last 60 days             | (Monthly Benefit) X 12 = Annual Income  |



| Benefit             | Form  | Time Period   | Calculation |
|---------------------|---|---|-------------|
| <b>Unemployment</b> | Letter of Determination; Unemployment history records from the Department of Labor portal. <b>NOTE:</b> Termination letters are NOT acceptable forms of documentation | Acceptable if dated within 12 months<br>Payment records from the DOL portal must be dated within the last 60 days |             |

### Non-Profit Applications

A non-profit that owns or rehabilitates housing for income-qualified individuals or families can apply to the program and provide a statement on the entity’s letterhead indicating that the residence will be rented or sold to an income eligible household. The letter must specify whether the household is low or moderate-income and be included as part of the application submission package. For further information on the non-profit application process and additional project requirements, please refer to Section 5.7 of the [Program Manual](#).

### Additional Income Eligibility Information

#### Program Eligibility Period

A determination of applicant eligibility will remain in effect and no new documentation will be required for **one year** from the initial date of determination, unless the program receives information that the applicant is no longer eligible or if the applicant is now eligible for a different income level (for example, a household was determined moderate-income eligible, but now is low-income eligible). If it is established that the applicant intentionally provided false information regarding eligibility, all work must be stopped and closed out at the cost incurred, and the contractor should contact their account manager.

#### Income Exclusions

The following income sources **should not** be included in total monthly income for purposes of determining eligibility:

- **Cash Over Which the Household Has No Control:** Cash, including, but not limited to, reimbursement for expenses incurred in connection with employment (e.g., gas mileage provided) and reimbursement for medical expenses (e.g., Medicare payment for doctor bills).
- **Child Support:** Child support payments, whether received by or paid by the applicant, are not added to, or deducted from applicant income in order to determine eligibility.
- **Dependent Student Income:**
  - Earnings of full-time high school students aged 17 or younger should not be included in the household’s income.
  - Dependent students over the age of 18 and enrolled for at least 12 credit hours

in an institution of higher education are to be included in the household count, whether they live at home or not

- Income received by students from federal and/or state grants and/or loans is excluded as income.
  - Dependent students living away from home during normal periods of class attendance and recess are excluded as income in determining a household's eligibility
  - A student's status may be further tested by whether the student is claimed as a deduction on the household's income tax. Students 18 and over must submit documentation of student status and it must be placed in the applicant file.
- **Farm and Business Expenses:** Allowable deductions for farms and businesses include only the cost of doing business. If the enterprise is a partnership, the percentage owned by the applicant should be established by documentation. The adjusted gross income figure listed on an applicant's income tax return should not be used in determining income from small businesses/farms since the IRS allows deductions for depreciation, personal business and entertainment expenses, income tax, personal transportation, purchase of capital equipment, and payments on the principal loans. Business records required by law should be used to document gross income and business costs for the three calendar months prior to the month of application and pro-rated for an average gross monthly income.
- **Holocaust Survivors Payments:** Restitution payments from foreign governments to survivors of the Holocaust are excluded as income.
- **Income Committed to Healthcare/Homemaker Services:** The amount which an applicant pays an employee for household work or health care is not an allowable deduction from gross income except in the following cases:
  - Health Care Services: Income used to pay for in-patient hospital care, in-patient care in a skilled nursing facility, or home health care, which is also counted toward Medicaid eligibility, is exempted as income. For income exclusion purposes, home health care means payments made for home nursing services rendered by a person (other than a family member) who is qualified to provide services such as assistance with personal hygiene, dressing, feeding, or household tasks, and who has been appropriately trained and is supervised by a registered professional nurse.
  - Housekeeper/Homemaker Services: Reimbursements for housekeepers or homemakers under Title XX of the Social Security Act are not considered as income for eligibility purposes. Those services include assessing the need for, arranging for, providing, and evaluating the provision of personal care, home management, and incidental household tasks by a professionally trained homemaker.
  - In-Kind Services: When an applicant has an employee residing in the household to assist in household work and health care, the employee's income should not be considered in determining the household's eligibility nor is the employee included in the household count. No monetary value may be attached to any in-kind contribution which the employee provides to the household.

- **Loans:** All are excluded, including reverse-annuity mortgage and home-equity conversion payments.
- **Lump-sum Payments:** Non-recurring lump-sum payments which are to be excluded from income in determining eligibility include but are not limited to: income tax refunds; rebates or credits; retroactive lump-sum insurance settlements; and lump-sum income from the sale of property.
- **Payment for Foster Children and Foster Care Adults:** Payments provided for care and maintenance of foster children or adults are not considered income. Foster children and foster-care adults (e.g., individuals 18 years of age or older, who are socially, physically, or mentally handicapped and placed in a community-based care setting approved by appropriate state agencies or local social services agencies) are not counted as members of an applicant's household.
- **Rental Property Costs:** The following costs for rental property may be deducted from the owner's income, if documented:
  - Interest paid to purchase income-producing property.
  - Insurance premiums.
  - Taxes paid on income-producing property.
  - Heating and/or utility costs paid for income-producing property where rent includes heat and/or utilities.
  - Improvements and/or repairs necessary to maintain the property as income-producing.
    - Note: To determine the allowable deduction for an improvement, use the life expectancy of the improvement and pro-rate the cost (e.g., a new roof costs \$5,000 and has a life expectancy of 15 years). The \$5,000 roof would be prorated at \$333 per year or \$27.75 per month. To determine the allowable deduction for a repair, divide the cost of the necessary repair by 12 months, e.g., a \$500 repair to a roof would be \$41.67 per month.
    - If the owner/applicant also resides in the income-producing property, the applicant's allowable costs should also be prorated. For example, an applicant with a three-unit dwelling who resides in one of the units would receive two-thirds of the allowable costs deducted from his/her gross rental income. Applicants who do not reside in the income producing property would have 100% of their documented allowable costs deducted from their gross rental income.
    - Depreciation, payments on the principal of income-producing property, and net losses are not allowable deductions in determining income for eligibility.
- **Roomer and/or Boarder Payments:** Roomers and boarders are not counted as household members, and their gross income is excluded from the household's income; however, payments made by the roomer/boarder to the household are included in the household income.
- **Special Energy Assistance Payments:** Home energy assistance, either in cash or in-kind, provided by a private non-profit organization or by an entity whose revenues are primarily derived on a rate of return basis and regulated by a federal or state government body, is not to be considered as income.