

Act/Regulations Reg. 13	Section	Social Programs	7
	Program	Social Assistance	13
	Instructions	INCOME - RENTAL OF PROPERTY	4-11
Effective: April 1, 1986	Authorized by:		Page: 1 of 1
Revised: November 1, 2007	Director of Social Assistance		

PURPOSE

1. To determine the actual income from rental of property.

PRINCIPLE

2. Except as provided in Regulation, all income must be included in determining eligibility.
3. Rental income should be calculated at fair market value for the type of facility and location, regardless of the fact that a lesser amount may be charged to the tenant.

POLICY

4. In situations where the applicant rents out a self-contained apartment in his/her own home (heat and lights included), the actual cost of heat and lights and the actual rental income would be included in the calculation of a budget deficit.
5. In situations where the applicant rents out a "semi-detached" facility (i.e. duplex, attached apartment, etc.) 95 percent of the actual "gross" income derived from the property rental shall be included in the calculation of a budget deficit. Five percent of the income is exempted for depreciation/maintenance costs. Expenses of the rental facility shall not be included because utilities are paid by the tenant.
6. In cases where the applicant is renting out a facility separate from his/her principal residence, he/she will be given 90 days' notice to dispose of the asset, in accordance with Instruction 4-3. During that 90-day period, all rent received shall be included as income, with no consideration given to the expenses of the second property.
7. If the rental property is being managed as a business, refer to Policy 4-8 (Income from Self-Employment).

CROSS REFERENCE

_____4-3 Assets - Real or Personal Property