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GENERAL NEWS

HUD Updates List of Federally Mandated Income Exclusions

Today in the *Federal Register*, the Department of Housing and Urban Development ([HUD](#)) published a [notice](#) updating the list of federally mandated exclusions from annual income. As the document explains, the purpose of the notice is to update the list of income and asset sources required by federal law to be excluded from consideration for purposes of determining eligibility or benefits in a HUD program.

Today's notice replaces the previous version, published on May 20, 2014, adds four new income exclusions, corrects existing exclusions to identify where amounts are excluded from consideration as assets in HUD programs, and removes exclusions that are now codified in HUD regulations. Specifically, the notice:

- Corrects an exception to payments, including for supportive services and reimbursement of out-of-pocket expenses, for volunteers under the Domestic Volunteer Service Act of 1973 (listed as exclusion 2)
- Adds "the amount of any refund (or advance payment with respect to a refundable credit) issued under the Internal Revenue Code is excluded from income and assets for a period of 12 months from receipt" (listed as exclusion 14)
- Adds allowance paid to children of certain Thailand service veterans born with spina bifida (listed as exclusion 17)
- Corrects the exclusion of income applicable to programs under the Native American Housing Assistance and Self- Determination Act (NAHASDA) to more accurately capture the language of 25 U.S.C. 4103(9) (listed as exclusion 23)
- Corrects that any assistance, benefit, or amounts earned by or provided to the individual development account are excluded from income, as provided by the Assets for Independence Act (listed as exclusion 25)
- Corrects that the first \$2,000 of per capita payments are also excluded from assets unless the per capita payments exceed the amount of the original Tribal Trust Settlement proceeds and are made from a Tribe's private bank account in which the Tribe has deposited the settlement proceeds (listed as exclusion 26)
- Adds the value of, distributions from, and certain contributions to Achieving Better Life Experience (ABLE) accounts established under the ABLE Act of 2014 (listed as exclusion 28)
- Adds assistance received by a household from payments made under the Emergency Rental Assistance Program pursuant to the Consolidated Appropriations Act of 2021 and the American Rescue Plan Act of 2021 (listed as exclusion 29)

HUD clarifies that the exclusions listed in the [notice](#) apply to income only, except where HUD states that the exclusion also applies to assets.



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