

F Negative Rent

When participants live in public housing, review the rental agreement and determine whether the budgetary unit is being reimbursed for utility expenses. When a budgetary unit's rental obligation is zero, there is a possibility of reimbursements for the expenses paid directly to one of the following:

- [Direct to participant](#)
- [Direct to the utility company](#)

NOTE Certain Section 8 landlords use their own lease agreement instead of the Section 8 model lease that details the rental agreement information. In this situation, it may be required to request from the participant an HUD-50058 form that Section 8 provides to tenants, which contains this information.

Verify the dollar amount of the utility reimbursement. The utility reimbursement is **NOT ALLOWABLE** as part of the utility expenses.

DO NOT allow any portion of shelter expenses paid by Housing and Urban Development (HUD) negative rent utility reimbursements.

EXCEPTION

Allow all shelter and utility costs for budgetary units who receive **LIHEA** payments, even when the budgetary unit receives direct payment. (See [Energy Assistance](#))