

O Rental Property Income

REVISION 03
(01/01/08 – 03/31/08)

Income received from rental property is COUNTABLE, and can be either of the following:

- Self Employment Rental Income
- [Unearned Rental Income](#)

(See [Allowable Business Expenses](#) for additional policy)

NOTE Policy in this section also applies to income received from individuals that rent a room in a home owned and occupied by a participant. (See [Boards](#) when meals are provided)

Treat rental property income as self employment when a participant manages the property (e.g. rent collection, maintenance, or other work).

NA EXCEPTION

At least 20 hours per week must be spent managing the rental property to be considered self employment. The 40% self employment deduction will be allowed when a self employment expense is verified. **AZTECS** applies the standard 20% earned income deduction. (See Example [Rental – Self Employment](#))

Determine the identifiable [allowable business expense](#) when the owner of the rental property does not have a separate meter and both of the following occur:

- The owner resides in the home
- The owner manages the property

A personal shelter expense CANNOT be claimed for an allowable business expense.

(See [Self Employment Verification](#) for acceptable verification)