

F Negative Rent

[REVISION 23](#)
(01/01/13 – 03/31/13)

Participants may have some or all of their utilities paid by Housing and Urban Development (HUD) negative rent utility reimbursements, when the following apply:

- They live in public housing
- Their rent is zero

Fax an Authorization to Release Information form (FA-059) to the Public Housing Agent or to the property owner when one of the following applies to the participant:

- They live in Public Housing
- They live in Section 8 Project-based Rental Housing
- They are recipients of a section 8 Housing Choice Voucher

Request the following information about the tenant:

- Rental obligation
- Utility Allowance
- Utility reimbursement (if any)

Determine whether the budgetary unit is being reimbursed for utility expenses. When the budgetary unit's rental obligation is zero, there is a possibility of a utility reimbursement which would be paid directly to one of the following:

- The participant
- The utility company

Verify the dollar amount of the utility reimbursement. The utility reimbursement is NOT a utility expense, but is used to reduce the allowable utility amount on **EXNS**.

Deduct the utility reimbursement amount from the utility expenses. Apply the reimbursement to the telephone bill last. Key any utility expenses that still have a balance after deducting the utility reimbursement on EXNS.

When the payment is in excess of all utility expenses and is paid directly to the participant, see Energy Assistance Payments for keying unearned income. (See Example [Negative Rent](#))

EXCEPTION

Allow all utility costs for budgetary units who receive Low Income Housing Energy Assistance (LIHEA) payments, even when the budgetary unit receives [vendor payments](#). (See [Energy Assistance](#))