

# INCOME INCLUSIONS

Annual income means all amounts, monetary or not which:

1. Go to or on behalf of the family head or spouse (even if temporarily absent) or to any other family member
2. Are anticipated to be received from a source outside the family during the 12-month period following admission or annual re-examination effective date
3. Which are not specifically excluded in paragraph (8 )
4. Annual income includes but is not limited to:
5. The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service Regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included as income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.
6. Interest, dividends and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (2 & 4) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the reimbursement of cash or assets invested by the family. Where the family has net family assets in excess \$5,000 annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD.
7. The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions disability or death benefits and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except as provided in paragraph (6 )
8. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (except as provided in paragraph (6) of this section
9. Welfare assistance. If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance income to be included as income shall consist of:
10. The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus
11. The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph ( 4)(5) shall be the amount resulting from one application of the percentage
12. Periodic and determinable allowances, such as alimony and child support payments and regular contributions or gifts received from organizations or from persons not residing in the dwelling
13. All regular pay, special pay and allowances of a member of the Armed Forces (except as provided in paragraph (10) of this section.