

## **Income and Asset Limits for Rent-Geared-to-Income (RGI)**

This procedure supports the administration of rent-geared-to-income (RGI) by outlining a transparent process for the issuance of RGI assistance by Housing Services and Housing Providers and provides steps to assess the eligibility of households applying for and/or receiving ongoing RGI assistance in Niagara.

### **Income Limits**

The income limits set for a household that are applying or waiting for RGI assistance are equal to the Household Income Limits (HILS) indicated for **all** of the Niagara service area, including the West Lincoln area. The HILS are updated annually by the Province, and Housing Services will provide a Notice to all Housing Providers with the new HILS at the beginning of each year.

*Example:*

To be eligible for RGI, you cannot have income of more than:

- \$34,000 for a bachelor unit
- \$44,000 for a one bedroom unit
- \$52,000 for a two bedroom unit
- \$59,500 for a three bedroom unit
- \$74,500 for a four or more bedroom unit

### **Asset Limits**

To be eligible for RGI assistance the total value of assets owned by household members (not including excluded assets) must not exceed the maximum asset limit for the household size.

- The asset limit for a single-person household \$50,000
- The asset limit for households with two or more people is \$75,000

### **Excluded Assets**

As per O. Reg. 367/11 s. 32.5 (5) excludes certain assets of the household from consideration when determining the value of assets.

In addition to those excluded assets Niagara Region Housing Services also excludes:

- Non-Cashable Guaranteed Investment Certificate(s), if proven the asset is non-cashable
- Where an asset is verified as locked-in for a limited term, the value is exempt until the maturity date
- An amount received as damages or compensation for:
  - pain or suffering due to the injury or death of a household member

- expenses reasonably incurred as a result of the injury or death of a household member
- Any additional personal motor vehicles
- Recreational Vehicles (e.g. snowmobile, all-terrain vehicle, RV)

If an asset is jointly owned with someone outside of the household, the total value is divided equally between owners unless the percentage of ownership is stated in the applicable verification document.

In the event a member of the household has assets held jointly with a partner that is separating but the division of assets has not yet been finalized, if the member's proportionate value in the assets exceed the maximum, extenuating circumstances may apply. They may be made temporarily exempt until they have been divided during the legal separation process and will then be re-evaluated.

### **Extenuating Circumstances**

At the discretion of the Service Manager/Housing Provider, the Special Priority Program (SPP) category constitutes extenuating circumstances and may be allowed additional time to divest themselves of assets that may be more than the local limits.

The Service Manager may determine that a household is eligible for RGI assistance, if the Service Manager is satisfied that there are extenuating circumstances.

### **Disposal of Assets**

Non-exempt assets exceeding the asset limit for the applicable household size, that have been disposed of in order to qualify for RGI assistance, require verification to determine if the total value of the assets now fall under the appropriate limit.

### **Procedure:**

#### **Applicants on the Waitlist**

Applicants are asked to declare their income and asset information when applying for housing as part of the application process.

During the offer stage:

- Housing Providers will be required to ensure that the applicant meets the income and asset eligibility.
  - if the verified income and/or assets are within the limits, the applicant is deemed eligible for RGI assistance and is offered the unit
  - if the verified income and/or assets are in excess of the limits, the applicant is deemed ineligible for RGI assistance and not offered the unit

## Current RGI Households and Asset Limits

Current households will be asked to complete the Annual Income Declaration Package and provide verification during their annual review process.

- If the household's assets are within the limit, the household is deemed eligible for RGI assistance.
- If the household's assets are in excess of the limit, the Housing Provider will deem the household ineligible for RGI assistance. A 90-day Cease to Qualify notice will be sent to the household indicating they are no longer eligible for RGI assistance with the right to appeal the decision.

If the household's assets are disposed of, or transferred to an excluded asset, that results in the total value reduced below the asset limit, prior to the removal of RGI assistance (**within the 90-day notice period**), RGI can be reinstated.

For households that have been deemed ineligible for RGI assistance due to assets that are in excess of the limit, annual reviews will continue to be completed following the date of ineligibility for RGI assistance, for a 24-month period. If:

- within the 24-month period after becoming ineligible for RGI assistance, a household can have their RGI reinstated if their assets have reduced to less than the asset limit for the household size.
- within the 24-month period RGI subsidy can be reinstated the first day of the following month that the household has verified the total value of the assets have reduced to less than the asset limit for the household size.
- after the 24-month period of becoming ineligible for RGI assistance, should the household's assets reduce to less than the asset limit for the household size, the household must reapply for RGI assistance.

In certain circumstances assets are to be verified during in-year reviews – specifically when a household member is being added.

**Note:** Exceptions for assets exist for households where **all** members are in receipt of social assistance or belong to the SPP category.

## List of Included Assets for Asset Calculation and Eligibility Determination

The following list includes all the assets listed on the Annual Income Declaration Package and is considered for eligibility determination. The assets are as follows:

- All bank accounts (e.g., chequing accounts, savings accounts, overseas or foreign accounts) with a balance over \$5,000
- Investments such as Term Deposit(s), cashable Guaranteed Income Certificates (GIC)
- Stocks, shares, bonds

- Mutual Funds
- Overseas or foreign investments
- Tax-Free Savings Accounts (TFSA)  
(cash and investments)
- Term or Life Annuity
- Life Insurance (cash surrender value in excess of \$100,000)
- Trust account
- Business assets (e.g., business bank account, business property) if you own your own business or are self-employed
- Real estate (e.g., house, land, other property in Canada and other countries)