

# OCALA HOUSING AUTHORITY



## Housing Choice Voucher Section 8 Program

### Earned Income Disallowance or Disregard (EID)



#### What is EID?

The Earned Income Disallowance, sometimes called Earned Income Disregard or EID, is a program that allows disabled adult participant in the Housing Choice Voucher Section 8 Program (HCV) who have been out of work to accept a job without having their rent increase right away. It encourages self-sufficiency by rewarding residents who go to work to increase their earnings.

The rules for EID are somewhat different for participants in the HCV program and tenants of other covered housing programs. It is important to know that this benefit is only for adults with disabilities in the HCV program.

When calculating a participant's rent, we are bound by EID rules to disregard 100% of a qualified participant's increased income due to new earnings for 12 months and to also disregard 50% of the increase in earned income for another 12 months.

This means the amount of income disregarded is actually any **incremental income** - the amount earned above the previous income.

The EID benefit is limited to a lifetime 24-month period for the qualifying family member:

At the end of the 24 months, the EID ends regardless of how many months were "used."

#### EXAMPLE:

Bob and Wanda are participant in the HCV program. Wanda has been working and earning \$15,000 a year. Bob has not been working but has been collecting veteran's disability benefits in the amount of \$12,000 a year. Bob then gets a job earning \$22,000 a year and his veteran's benefits stop.

Assuming he qualifies for EID, we would compare Bob's \$12,000 in veteran's benefits to his new earnings of \$22,000. We would not consider Wanda's income when calculating Bob's exclusion. Bob's exclusion would be \$10,000. We'd count all of Wanda's income.

#### Goals of EID

- Motivate tenants to return to work or to start work
- Support participants' efforts to achieve financial self-sufficiency
- Remove disincentives for the disabled to seek employment while maintaining stable housing

