

APPENDIX “C”
Household Income Limits and Asset Limits

Operational details of the City of Ottawa’s Household Income Limits (HIL) and Asset Limits are outlined below.

Household Income Limits (HILs)

Determining Household Income (O. Reg 367/11 s. 32.4)

Household income is the annual net income of all members of the household, excluding the income of full-time students. In general, household income includes only income that would normally be used for Rent-Geared-to-Income (RGI) rent calculation.

Household income is determined by taking the sum of all household members’ net incomes (Line 23600) from their most recent Notice(s) of Assessment (NOA) issued by Canada Revenue Agency (CRA) or Proof of Income Statement. The tax year used to determine the household’s income is different depending on when the RGI review is conducted. In general, the most recent NOA or Proof of Income Statement should be used.

- For reviews between July 1 and December 31, use the information from the most recently completed and assessed taxation year. For example, an annual review that occurs on July 1, 2023, would be based on the NOA or Proof of Income Statement from 2022.
- For reviews between January 1 and June 30, use the information from the most recently completed and assessed taxation year. For example, an annual review that occurs on January 1, 2023, would be based on the NOA or Proof of Income Statement from 2021.

If the household has a Registered Disability Savings Plan (RDSP), subtract any payments received, and add all RDSP repayments that occurred, in the taxation year, to the household income.

If no NOA or Proof of Income Statement has been issued, the amount that would appear on Line 23600 had the NOA or Proof of Income Statement been issued may be used.

Centralized Wait List (CWL) Administrator Process

The CWL Administrator determines household income as declared by the applicant household at the time of application and annually while waiting on the CWL. Verification must provide sufficient information to allow for an annualized approximation of net income. Alternate verification may include a more current NOA or Proof of Income Statement, or a regular statement of income (e.g., pay stub or monthly financial statement).

Applicants with household income above the HIL are ineligible to be placed on the CWL, and active applicants with household income above the HIL will be removed from the CWL.

If the CWL Administrator determines that a household's income is above the HIL at the time of application or as part of an update, it shall provide written notice of the decision that they are not eligible for RGI assistance to the household, as outlined in [Ontario Regulation 367/11](#), section 61.

Housing Provider Process (At time of offer)

The Housing Provider determines household income as declared by the applicant at the time of offer.

If the applicant has not filed their income tax return or the tax-based net income amount does not accurately reflect the current average income, the Housing Provider may use approximated net income to determine household income. Verification must provide sufficient information to allow for an annualized approximation of net income that is anticipated to be received over the upcoming 12-month period. Alternate verification may include a more current NOA or Proof of Income Statement, or regular statements of income (e.g., pay stubs or monthly financial statements).

If an applicant is determined to have income above the HIL at the time of offer, the Housing Provider shall not continue with the offer. The Housing Provider shall provide written notice of the decision that they are not eligible for RGI assistance to the household, as outlined in [Ontario Regulation 367/11](#), section 61, and notify the CWL Administrator.

As a reminder, households are required to notify the Housing Provider of changes or events and provide requested information in accordance with sections 28 and 29 of [Ontario Regulation 367/11](#).

Household Asset Limits

Determining Household Assets (O. Reg 367/11 s.32.5)

The household assets are the total value of the assets of all members of the household excluding households currently in receipt of financial assistance from Ontario Works (OW) or the Ontario Disability Support Program (ODSP).

Certain assets may be temporarily or permanently excluded from the value of the assets with the approval of the Service Manager.

Joint Assets

Joint assets are assets that two or more people have ownership rights over. For example, a joint bank account allows all account holders to deposit, withdraw, and administer the funds in the account, regardless of who deposits money into the account, and all account holders are

responsible for the money in the account. Joint owners are often married or common-law spouses or a senior and their adult children.

Unless the household can demonstrate otherwise, assets held jointly with a party that is not a member of the RGI household are considered in the household's asset assessment and valued at proportionate interest in the value of the asset.

- For example, if a bank account is held by three people, one of which is a member of an RGI household, their share of the asset would be one third.
- For example, if a member of a household in receipt of RGI assistance is listed as an account holder with someone else for the purpose of assisting with the management of finances, they could provide documentation to support this such as a Power of Attorney, statements showing debits and credits, or trust account documents, to confirm that the asset does not legally belong to them. A letter or informal agreement provided by the joint account holder is not acceptable.

In the event a member of the household has assets held jointly with a spouse and is separating but the division of assets has not yet been finalized, if the member's proportionate value in the assets exceeds the maximum, extenuating circumstances may apply.

Exemption for Special Priority Households

When determining the value of assets for the special priority household category, the CWL Administrator and/or Housing Provider shall consider the circumstances and section 60 of [Ontario Regulation 367/11](#) (review of continued eligibility for special priority households).

Verification of Assets: Centralized Wait List (CWL) Administrator Process

The CWL Administrator determines assets as declared by the applicant household at the time of application and annually after placement on the CWL. The CWL Administrator is not required to collect verification of assets, unless one of the following applies:

- the total value of household assets is \$40,000 or more for a single person household or \$65,000 or more for a household comprised of two or more people;
- the applicant household has declared a material change in the value or type of assets since the last annual (RGI) review; or
- the CWL Administrator considers it appropriate.

Applicants with household assets above the asset limit are ineligible to be placed on the CWL, and active applicants with household assets above the asset limit cease to meet eligibility requirements and therefore will be removed from the CWL. When the CWL Administrator determines that a household's assets are above the asset limit at the time of application or as part of an update, it shall provide written notice of the decision to the household that they are not eligible for RGI assistance, as outlined in [Ontario Regulation 367/11](#), section 61.

Verification of Assets: Housing Provider Process (At time of offer and during annual reviews)

At time of housing offer, Housing Providers must verify household assets by collecting verification of each asset.

During annual reviews, Housing Providers are not required verify assets declared by the household, unless one of the following applies:

- the total value of household assets is \$40,000 or more for a single person household or \$65,000 or more for a household comprised of two or more people;
- the household has declared a material change in the value or type of assets since the last annual (RGI) review; or
- the Housing Provider considers it appropriate.

When the Housing Provider determines that a household’s assets are above the asset limit at the time of offer or as part of an annual review, they shall provide written notice of the decision to the household that they are not eligible for RGI assistance, as outlined in [Ontario Regulation 367/11](#), section 61. When this occurs at the time of offer, the Housing Provider must also notify the CWL Administrator.

Verification of Assets Guidelines

Assets and Verification Guidelines include, but are not limited to, the following:

Assets	Verification Guidelines
Bank accounts Examples include: <ul style="list-style-type: none"> • Savings accounts and chequing accounts • Tax-Free Savings Accounts (cash) • Overseas or foreign accounts 	<ul style="list-style-type: none"> • Current bank statement showing the account balance for all accounts
Value of 2 nd or more Personal Vehicle (the market value of the vehicle minus any amount owing)	<ul style="list-style-type: none"> • Loan documents • Market value (Red Book value, online vehicle retailers)

<p>Investments</p> <p>Examples include:</p> <ul style="list-style-type: none"> • Stocks and bonds • Term Deposits • Guaranteed Investment Certificates • Mutual funds • Includes overseas or foreign investments • Tax-Free Savings Accounts (investments) 	<ul style="list-style-type: none"> • Current statement from bank/financial institution showing the amount of the investment • Copy of a stock certificate <p>NOTE: T5 and T3 tax slips document the income generated from investments. They do not include the investment amount. They can however help validate the household's declared asset value (e.g., if the household declares 0 assets but has significant income from investments, further information is required)</p>	
<p>Real estate equity (The value of the property as determined by the current MPAC assessment, minus the amount of any mortgage(s) owing and any balances owed on loans/lines of credit secured against the property)</p> <ul style="list-style-type: none"> • Includes residential and non-residential properties • Includes property in Canada and in other countries 	<ul style="list-style-type: none"> • MPAC assessment • Current mortgage statement • Home Equity Line of Credit (HELOC) statement 	
<p>Life insurance (amount over \$100,000 for the household)</p>	<ul style="list-style-type: none"> • Insurance policy that states the cash surrender value 	
<p>Business related Assets</p> <p>Assets of a member of the household that are necessary to the operation of a business that a member operates or has an interest in and are not specifically excluded</p> <ul style="list-style-type: none"> • Business related bank accounts, vehicles, licenses, property, etc. 	<ul style="list-style-type: none"> • Documentation depends on type of asset • Financial Statements • Income taxes • Will • Insurance documents 	
<p>Trust fund for a person with a disability, over \$100,000</p> <ul style="list-style-type: none"> • The capital in the trust fund must come from an inheritance or a life insurance payment 	<ul style="list-style-type: none"> • Trust fund documents • Trust account bank statement showing the amount and beneficiary 	

Excluded Assets

[Ontario Regulation 367/11](#) s. 32.5 (5) sets out the assets that are excluded from the asset limit rules as follows:

1. The value of one (1) personal motor vehicle for each household member that is not used primarily for the operation of a business by a member of the household.
2. The value of tools of a trade that are essential to the work of a member of the household as an employee.
3. The value of assets of a member of the household that are necessary to the operation of a business that the member operates or has an interest in, up to \$20,000 in assets for the member of the household and up to \$20,000 for that business.
4. The value of a prepaid funeral.
5. The cash surrender value of a life insurance policy, up to \$100,000 for the household.
6. The proceeds of a loan taken against a life insurance policy that will be used for disability-related items or services.
7. If a member of the household has received a payment under the Ministry of Community and Social Services Act for the successful participation in a program of activities described in paragraph 9 of section 26 of [Ontario Regulation 134/98](#) (General) made under the [Ontario Works Act, 1997](#), the value of any portion of that payment that, within a time that is reasonable in the opinion of the Region, will be used for the member's post-secondary education.
8. The value of funds held in a Registered Education Savings Plan (RESP), as defined in section 146.1 of the *Income Tax Act* (Canada), for a child of a member of the household.
9. The value of the clothing, jewelry, and other personal effects of a member of the household.
10. The value of the furnishings in the accommodation used by the household, including decorative or artistic items, but not including anything used primarily for the operation of a business.
11. The value of the beneficial interest in a trust of a member of the household who has a disability if the capital of the trust was derived from an inheritance or from the proceeds of a life insurance policy, up to \$100,000 for that member.
12. Funds held in a Registered Disability Savings Plan (RDSP), as defined in section 146.4 of the *Income Tax Act* (Canada), if the beneficiary of the plan is a member of the household.
13. Funds held in an account of a member of the household in conjunction with an initiative under which the Service Manager or an entity approved by the Service Manager commits to contribute funds towards the member's savings goals.
14. The value of funds held in:
 - Registered Retirement Savings Plan (RRSP) which includes Locked-in Retirement Account (LIRA).
 - Registered Retirement Income Fund (RRIF), which includes Life Income Fund (LIF).