

# Housing and Urban Development Earned Income Disregard

New York Fact Sheet 2023

## How can the Housing and Urban Development Earned Income Disregard help you?

The department of Housing and Urban Development (HUD) has a work incentive called the Earned Income Disregard (EID), also known as Earned Income Disallowance, which applies to people in certain types of housing. If you qualify for EID, Local Housing Authorities (LHA) will disregard all, or a portion of your earnings from employment, when calculating your rent over a 24-month period.

Normally, when a tenant or tenant family has an increase in their monthly income, including increases from earned income or wages, their tenant share of rent goes up. Generally, the tenant share of rent would go up by about \$1 for every \$3 in additional income, or 30%.

## HUD EID and Tenants with Disabilities

The HUD EID allows some tenants with disabilities to work without an immediate increase in rent.

## EID Housing Requirements

EID applies to **all tenants in public housing programs** and to **tenants with disabilities** in four additional types of housing subsidy programs:

- Section 8 Housing Choice Voucher Program
- Some Supportive Housing Programs
- Home Investment Partnerships Program
- Housing Opportunities to Persons with AIDS Program

## EID does not apply to:

- Project Based Section 8
- Low Income Housing Tax Credit Program
- Section 811 People with Disabilities Program
- Section 202
- Single Room Occupancy Mod Rehab
- Shelter Plus Care Program

## Eligibility

The tenant must be previously unemployed for one or more years prior to the new employment

- “Unemployed” means that the individual was either not working during the previous 12 months, or
- Averaging less than 10 hours of work per week at minimum wage

## How does EID work?

During the first 12 months of employment (i.e., Months 1 through 12)

- If the individual previously had no earned income, **all their wages will be disregarded for 12 months.**
- If the individual meets the unemployed definition based on limited part-time work, **only the increase in wages will be disregarded.**

During the second 12 months of employment (i.e., Months 13 through 24)

- 50% of the new wages will be disregarded.

**Note:** The full 24-month EID must be used within 48 consecutive months.

## Can EID be used more than once?

No. EID can only be used once in a person’s lifetime. Therefore, to take full advantage of EID, it is highly recommended you work throughout the 24-month EID period.

**EID allows individuals living in certain types of subsidized housing to work without experiencing an immediate increase in rent. A Community Work Incentives Coordinator can help you determine if EID applies to you.**

For more information about  
**Work Without Limits Benefits Counseling**  
contact **1-877-YES-WORK** (1-877-937-9675)  
or visit [workwithoutlimits.org](http://workwithoutlimits.org)