



# Emergency Rental Assistance Frequently Asked Questions

Section 501, Division N, of the Consolidated Appropriations Act, 2021, enacted December 27, 2020, allows States and political subdivisions, U.S. territories, Indian Tribes, and the Department of Hawaiian Home Lands (“Distributing Entity”) to use certain funds allocated by the Department of the Treasury to provide emergency rental assistance (“Section 501 Emergency Rental Assistance”) to households that require financial assistance to pay rent, utilities, home energy expenses, and other related expenses.

**Q1: I am a renter who received Section 501 Emergency Rental Assistance payments from a Distributing Entity for use in paying my rent. Are these payments includible in my gross income? (added March 25, 2021)**

A1: No. Section 501 Emergency Rental Assistance payments made to eligible households are not considered income to members of the household.

**Q2: I am a renter who received Section 501 Emergency Rental Assistance payments from a Distributing Entity for use in paying my utilities or home energy expenses. Are these payments includible in my gross income? (added March 25, 2021)**

A2: No. Section 501 Emergency Rental Assistance payments, including payments for utilities or home energy expenses, made to eligible households are not considered income to members of the household.

**Q3: I am a renter who received Section 501 Emergency Rental Assistance from a Distributing Entity for use in paying my rent, utilities, and/or home energy expenses, but the Distributing Entity made the payments directly to my landlord and/or my utility companies on my behalf. Are these payments includible in my gross income? (added March 25, 2021)**

A3: No. Section 501 Emergency Rental Assistance payments made on behalf of an eligible household are not considered income to members of the household.

**⊖ Q4: I am a landlord and I have a tenant who qualifies for Section 501 Emergency Rental Assistance. A Distributing Entity sent me a rental payment on my tenant's behalf under a Section 501 Emergency Rental Assistance program. Is this payment includible in my gross income? (added March 25, 2021)**

A4: Yes. Section 501 Emergency Rental Assistance is intended to help eligible households that require financial assistance to pay for rent, utilities, home energy expenses, and other related expenses, and the payments are excluded from income only for those households. Rental payments you receive, whether from your tenant or from a Distributing Entity on your tenant's behalf through a Section 501 Emergency Rental Assistance program, are includible in your gross income.

**⊖ Q5: I run a utility company that has a customer who qualifies for Section 501 Emergency Rental Assistance. A Distributing Entity sent my company a utility payment on my customer's behalf under a Section 501 Emergency Rental Assistance program. Is this payment includible in my company's gross income? (added March 25, 2021)**

A5: Yes. Section 501 Emergency Rental Assistance is intended to help eligible households that require financial assistance to pay for rent, utilities, home energy expenses, and other related expenses, and the payments are excluded from income only for those households. Utility payments your company receives, whether from a customer or from a Distributing Entity on the customer's behalf through a Section 501 Emergency Rental Assistance program, are includible in your company's gross income.