

Service Chapter: SNAP

Effective Date: November 13, 2025

Description of Changes

1. 803 – Shelter Deductions – Change

Changes will be effective with **all applications and reviews** received 11/13/2025 and after.

Limits the automatic application of the SUA based on receipt of a LIHEAP payment to households with elderly or disabled members.

Policy Section Updates

1. 803 – Shelter Deductions – Change

Overview

A shelter deduction is based on shelter expenses anticipated to be incurred by the **household** for their residence. The monthly shelter costs in excess of 50% of the net adjusted income after all other deductions are allowed, not to exceed the maximum shelter deduction.

Exception:

Households containing one or more eligible elderly or disabled member(s) in the SNAP filing unit are excluded from the maximum shelter deduction.

Shelter Expense Deductions

Shelter expenses are determined by using the most recent month's expenses unless the household is reasonably certain a **change** will occur.

Shelter expenses, including utilities, must be verified at time of **application**. Shelter costs that fluctuate annually, must be verified at time of application for **review**, such as mortgage, rent, property taxes, homeowners insurance, etc. Utility expenses verified at time of application do not need to be verified at time of application for review unless questionable or the household reports a change. If the **participant** reports shelter expenses but doesn't provide **verification** of the expenses, the eligibility worker must request this information in the Request for Verifications notice. If the expenses are not provided, the case must be processed without the shelter expenses.

Exception: Lease that covers current time period for rent and utilities in case file does not need to be requested at application for review.

If a household reports a change of address during the **certification period** but doesn't include verification of the new shelter expense, the eligibility staff member must send a Request for Verification. If the participant doesn't provide the verification in 10 days, the changes must be acted on according to the **household's reporting requirements**.

Shelter Expense Guidelines

The following are guidelines for all allowable shelter expenses:

1. Shelter costs must be payable to someone outside the SNAP household.
2. Expenses need not be in the household's name but must be incurred by the household and the household must be expected to pay the expense.
3. For expenses that are not billed on a monthly basis the household **may elect** a one-time deduction or to have expenses averaged.
 1. Annual expenses (e.g. annual property taxes/homeowner's or renter's insurance).
 2. Expenses billed less often than monthly (e.g. quarterly insurance and/or property taxes): If averaged, the billings must be averaged over the period of time it is intended to cover.
4. Expenses billed or due weekly or biweekly are converted.
5. When **separate** households share shelter expenses and one receives a payment for shelter expenses for the other, the payment is not counted as income. Each household is entitled to its actual share of the shelter costs as a deductible amount.
6. When a homeowner is renting a part of their home to another individual, the payment the homeowner receives is countable unearned income. The homeowner is entitled to the full mortgage payment as a shelter expense.
7. If two or more separate households live together and share utility costs, each household is entitled to the appropriate standard.
8. If a non-household or **ineligible** household member shares utility costs with eligible household members, the eligible household members are entitled to the appropriate standard.

Excludable Vendor Payments

Excludable **vendor** payments are those payments in money made by either an individual who is not a household member or by a public or private organization directly to a third party for a household expense. These payments are not counted as income and the payment paid to the third party for a household expense is not an allowable deduction.

Excluded Household Members

If the household shares deductible expenses with the **non-household member**, only the amount actually paid by or billed to the SNAP household is deducted as a household expense. If deductible expenses cannot be separated, they are prorated evenly among the individuals making the payments and only the household's prorated share allowed.

Disqualified Household Members

Expenses of **excluded household members** are allowed as follows:

Allow all the expenses of members disqualified because of:

1. Sale of a controlled substance involving SNAP benefits.
2. A fleeing felon charge or conviction, or a parole or probation violation.
3. SNAP IPV
4. SNAP work requirement

Exception: Ineligible ABAWDS

5. A conviction for attempting to receive duplicate benefits.
6. Sale of firearms, ammunition, or explosives involving SNAP benefits.
7. A conviction for trafficking benefits.
8. Felons who are not in compliance with their sentence or are parole or probation violators/fleeing felons.

Allow a prorated share of allowable shelter expenses that are paid by or billed to the following individuals. A household with an aged or disabled household member is subject to the maximum shelter expense.

1. An ineligible alien.
2. An individual who fails to meet the SSN requirement.
3. An ineligible ABAWD.
4. An individual who has been disqualified for the Food Distribution Program (Tribal Commodities) for an IPV.

Allowable Shelter Costs

The obligated amount of allowable shelter costs is used as an expense deduction. The monthly obligated amount of mortgage/rent is allowed each month when determining the shelter deduction without regard to when or if it is actually paid.

Allowable shelter costs include:

1. **Rent:** Shelter occupied by the household, including rent, lot rent, mandatory garage fees (i.e. garage, appliance, furniture, etc.), and mandatory renters insurance. Optional charges such as pet fees are not allowable. Also allow other continuing charges leading to the ownership of the shelter such as loan repayments or contract for deed for the purchase of a mobile home, including interest on such payments.
2. **Mortgage:** Shelter occupied by the household including loan repayments, interest for the purchase of a home or mobile home, contract of deed, and condominium fees in their entirety. Payments on second mortgages and home equity loans are allowable shelter costs regardless of why the money was obtained or how it was used.

Note: Shelter occupied by the household including loan repayments, interest for the purchase of a home or mobile home, contract of deed, and condominium fees in their entirety. Payments on second mortgages and home equity loans are allowable shelter costs regardless of why the money was obtained or how it was used.

3. **Property Taxes:** State, and local assessments. Late fees and subsequent interest are not countable. Always use the full amount regardless of when the taxes are paid or if taxes are discounted due to early payment.
4. **Homeowner's insurance** on the structure only. Costs for insuring furniture or personal belongings are not allowed if the insurance policy separates structure and content costs. The entire premium amount is allowed if the insurance policy does not separate structure and content costs. Flood insurance is an allowable expense. NOTE: Mandatory fees for installment payments are allowed if paid monthly instead of annually).
5. **Renter's insurance mandatory.** Renters' insurance is an allowable expense if required by the landlord.
6. **Repair of a home:** charges for a home that was substantially damaged or destroyed due to a natural disaster such as a fire or flood. The costs do not include charges for the repair of the home that have been or will be reimbursed by private or public relief agencies, insurance companies, or other sources.
7. **RVs, campers, and other vehicles:** Payments and continuing charges leading to the ownership of RVs, campers, cars, etc. are allowable provided that the RV, camper, or car serves as the household's primary residence. We must verify that it is the primary residence. Insurance related to these vehicles and campers is also allowable. Vehicle registration fees, tags, etc. are **NOT allowable** expenses in these situations. The cost of gasoline to operate/drive the vehicle is not an allowable expense as it is unrelated to the shelter. If the RV, camper, or car is heated with propane or another **separate fuel source**, it can be used for the SUA.
8. **Utility Expenses:** Households cannot claim actual utility expenses and are entitled to only one of the mandatory utility allowances (see below). If the household is self-employed, refer to [705 Self-Employment](#) connected to home to determine allowable expenses.

Mandatory Utility Allowance

Households cannot claim actual utility expenses and are entitled to only one of the mandatory utility allowances or the telephone allowance (as listed below). The household is allowed a mandatory utility allowance if the household is obligated to pay for heating, cooling, cooking fuel, electricity, water, sewage, garbage, or telephone expenses.

See Standard of Needs Chart for current utility allowances.

Note: Cooling or heating costs may include window or central units or charges from the landlord for excess cooling costs, and do not include window fans. Space heaters do not entitle households to the SUA.

If two or more separate households live together and each pays a utility expense, each household is entitled to the same full appropriate utility allowance, such as the SUA. The utility allowance is not prorated. If one household pays all of the utility expenses and the other household pays none, only the household paying the expenses is entitled to the appropriate utility allowance as an expense.

Standard Utility Allowance (SUA)

The SUA utility expense is available to the following households:

1. Households incurring heating or cooling expenses separately from their rent or mortgage including any households charged only for excess heating/cooling costs if the household pays or is anticipated to pay excess heating/cooling costs for any one month they are eligible for the SUA year-round.
2. Households ~~the-~~ containing an Elderly or Disable member and receiving a benefit greater than \$20 annually from the Low-Income Home Energy Assistance Program (LIHEAP) or Tribal LIHEAP benefits in the current month or in the prior 12 months; the LIHEAP payment does not have to be for the household's current address. The household must have received payment or had a payment made on its behalf.

If the household was entitled to the SUA based on receipt of renter heat paid LIHEAP in excess of \$20.00 within the past 12 months, and the LIHEAP head of household has moved out of the SNAP household, the household is no longer entitled to the SUA at time of review based on receipt of LIHEAP.

3. Households in private/public rental housing who incur heating/cooling costs and are billed by their landlords based on individual usage or who are charged a flat rate separately from their rent.
4. HUD and FSA utility subsidies are excluded from income for SNAP. Additionally, when a household receives a utility subsidy, the household is not entitled to the appropriate mandatory utility standard unless their actual utility costs exceed the utility subsidy. Current utility subsidy and all current utility bills must be verified and used in this calculation and must not be averaged.

Utility subsidies are defined as a deduction for the estimated value of utilities and charges for other housing services payable directly by the family. In most cases, the utility allowance involves no direct payment to the household. The payment is issued to the landlord and is used to reduce the household's shelter costs. If the utility allowance exceeds the rent, the excess is paid in the form of a utility reimbursement or rebate to the household. The household's actual utility costs must exceed the utility reimbursement or rebate in order to receive the appropriate mandatory utility standard.

5. Households receiving money from friends/relatives to pay heating or cooling expense that is determined to be countable income are allowed the SUA based on the heating or cooling expense.

Limited Utility Allowance (LUA)

Households not entitled to the SUA that incur at least two of the following utility expenses are entitled to the LUA.

- Water
- Sewer
- Garbage
- Electricity
- Telephone

Minimum Utility Allowance(MU)

Households not entitled to the SUA or LUA that incur at least one of the following utility expenses are entitled to the MUA.

- Water
- Sewer
- Garbage
- Electricity

Telephone Allowance (TL)

Household not entitled to the SUA, the LUA, or MUA that incur telephone expenses only are entitled to the TL Standard. The cost of telephone service for a landline, cellular service or voice over internet protocol entitles the household to the telephone standard. Cellular service that entitles the household to the standard includes monthly service fees or pre-paid service cards.

A statement with monthly service fees or receipt, text, email from pre-paid cell phone provider verifying payment will serve as verification.

If the household is self-employed and claims the cell phone as a business expense, it cannot also claim the phone as a utility expense.

Acceptable Forms of Verification

- Current lease or landlord/tenant agreement. **Valid leases must cover current time period.** Verification of a participant's rent expense can come in many forms. The most common are lease agreements and Landlord/Tenant forms. However, any type of rent verification may be accepted such as rent receipts if completed by a landlord and tenant ledgers. If rent receipts or tenant ledgers indicate questionable information as to if the amount includes any late fees or non-mandatory charges, additional verification will be needed.
- If the household reports that they no longer have a valid lease that covers the current time period or have a month-to-month lease or agreement the monthly rent must be verified at time of application and application for review. This includes 12-month leases that transition into month-to-month agreements at the end of 12 months.

If the participant submits verification of their rent expense that meets the above criteria, this would be an acceptable form of verification and used to establish an appropriate SNAP deduction.

- Mortgage statement from the last 30 days.
- Current tax bills (these may be found online on the County Treasurer's website). Tyler Technologies - iTax Websites
- LIHEAP interface.
- Electric, gas, water, garbage, phone bills from last 30 days.
- Collateral contacts.

Special Circumstances

Moving - if a household reports moving during the month and submits one set of bills from the previous address and one set of bills from the current address, the expenses from both locations that are due in the **benefit month** are allowed as expenses. NOTE: Only one mandatory utility allowance for both homes is allowed as an expense, and rent must be prorated for each address from the date the household moved ensuring that full rent for future months is prospected using the current address.

1. Group home residents - SNAP Shelter Expense

Shelter Expenses Not Allowed

The following shelter expenses are not allowed as a deduction:

- Past due bills or amounts carried forward.
- Late fees.
- Renter's insurance, that is not mandatory.
- Costs associated with cutting wood for heat such as cutting permits, gas for a chain saw and truck, or equipment like a chain saw.
- Expenses paid by [**vendor payment**](#) unless the vendor payment is counted as income.
- Costs that will be reimbursed. LIHEAP is not a reimbursement. HUD or FMHA utility reimbursements are examples of reimbursed costs that are not allowed as a shelter deduction. (Link to Standard Utility allowance #4 above)
- One-time deposits.
- Closing costs are not allowable expenses. Itemized allowable closing costs such as homeowner's insurance and property taxes are allowed as expenses if not included in mortgage payments.
- Payments for prior months as an expense for the current benefit month.
- In kind expenses where the household works off part or all of the shelter expense and does not have the option of receiving a monetary payment.
- Costs associated with internet service or setup.

Homeless Shelter Deduction

Households in which all members are homeless may be allowed a homeless shelter deduction. Link to Definitions (Homeless) Link to Standards for Needs chart. To receive the deduction, the household must incur and verify shelter expense and/or utility expense. Households that receive the homeless shelter deduction are not entitled to the Standard Utility Allowance since the homeless shelter deduction already includes both shelter and utility costs.

The homeless household may choose to use actual expenses to include shelter and/or a standard utility allowance instead of the homeless shelter deduction if their actual costs are higher and are verified. Households who use actual shelter expenses are eligible for both shelter and utility deductions.

Households that are provided free housing and utilities, or who work for their shelter, are not allowed the homeless shelter deduction.