

**441—65.8(234) Deductions.**

**65.8(1) Standard allowance for households with heating or air-conditioning expenses.** When a household is receiving heating or air-conditioning service for which it is required to pay all or part of the expense or receives assistance under the Low-Income Home Energy Assistance Act (LIHEAA) of 1981, the heating or air-conditioning standard shall be allowed.

*a.* The standard allowance for utilities which include heating or air-conditioning costs is \$276 effective March 1, 2005.

*b.* This allowance shall change annually effective each October 1 using the percent increase reported in the consumer price index monthly periodical for January for fuels and other utilities for the average percent increases for the prior year for all urban consumers United States city average.

(1) Any numeral after the second digit following the decimal point will be dropped in this calculation.

(2) Any decimal amount of .49 or under will be rounded down. Any decimal of .50 or more will be rounded up to the nearest dollar.

(3) The cent amount will be included when calculating the next year's increase.

(4) Effective October 1, 2007, two dollars will be subtracted from this amount to allow for cost neutrality necessary for the standard medical expense deduction. Effective October 1, 2008, an additional two dollars, for a total of four dollars, will be subtracted from this amount to achieve continued cost neutrality.

**65.8(2) Heating expense.** Heating expense is the cost of fuel for the primary heating service normally used by the household.

**65.8(3) Telephone standard.** When a household is receiving a standard utility allowance under subrule 65.8(1) or 65.8(5) or is solely responsible for telephone expenses, a standard allowance shall be allowed.

*a.* This standard shall be \$36 effective March 1, 2005.

*b.* This allowance shall change annually effective each October 1 using the percent increase reported in the consumer price index monthly periodical for January for telephone service for the average percent increases for the prior year for all urban consumers United States city average.

(1) Any numeral after the second digit following the decimal point will be dropped in this calculation.

(2) Any decimal amount of .49 or under will be rounded down. Any decimal of .50 or more will be rounded up to the nearest dollar.

(3) The cent amount will be included when calculating the next year's increase.

**65.8(4) Energy assistance payments.** For purposes of prorating the low income energy assistance payments to determine if households have incurred out-of-pocket expenses for utilities, the heating period shall consist of the months from October through March.

**65.8(5) Standard allowance for households without heating or air-conditioning expenses.** When a household is receiving some utility service other than heating or air-conditioning for which it is responsible to pay all or part of the expense, the nonheating or air-conditioning standard shall be allowed. These utility expenses cannot be solely for telephone.

*a.* This standard is \$103 effective August 1, 1991.

*b.* Beginning October 1, 1992, this allowance shall change annually effective each October 1 using the percent increase reported in the consumer price index monthly periodical for January for electric service for the average percent increases for the prior year for all urban consumers United States city average.

(1) Any numeral after the second digit following the decimal point will be dropped in this calculation.

(2) Any decimal amount of .49 or under will be rounded down. Any decimal of .50 or more will be rounded up to the nearest dollar.

(3) The cent amount will be included when calculating the next year's increase.

(4) Effective October 1, 2007, two dollars will be subtracted from this amount to allow for cost neutrality necessary for the standard medical expense deduction. Effective October 1, 2008, an additional

two dollars, for a total of four dollars, will be subtracted from this amount to achieve continued cost neutrality.

**65.8(6) *Excluded payments.*** A utility expense which is reimbursed or paid by an excluded payment, including HUD or FmHA utility reimbursements, shall not be deductible.

**65.8(7) *Excess medical expense deduction.*** Notwithstanding anything to the contrary in these rules or regulations, at certification, households having a member eligible for the excess medical expense deduction shall be allowed to provide verification of expenses so that a reasonable projection of the member's medical expenses anticipated to occur during the household's certification period can be made. The household may choose to claim actual expenses or to use the standard medical expense deduction.

*a. Actual medical expense.*

(1) The projection may be based on available information about the member's medical condition, public or private medical insurance coverage, and current verified medical expenses.

(2) Households that choose to claim actual medical expenses shall not be required to report changes in medical expenses that were anticipated to occur during the certification period.

*b. Standard medical expense.*

(1) A household may choose a standard medical expense deduction of \$105 if the household incurs more than \$35 per month in medical expenses.

(2) A household that chooses the standard deduction shall not be required to report changes in medical expenses during the certification period.

*c. Rescinded IAB 8/1/07, effective 10/1/07.*

**65.8(8) *Child support payment deduction.*** Rescinded IAB 5/2/01, effective 6/1/01.

**65.8(9) *Standard deduction.*** Each household will receive a standard deduction from income equal to 8.31 percent of the net income limit for food assistance eligibility. No household will receive an amount less than \$144 or more than 8.31 percent of the net income limit for a household of six members. The amount of the standard deduction is adjusted for inflation annually as directed by the Food and Nutrition Service of the U.S. Department of Agriculture.

**65.8(10) *Sharing utility standards.*** Rescinded IAB 9/4/02, effective 10/1/02.

**65.8(11) *Excess shelter cap.*** Rescinded IAB 5/2/01, effective 6/1/01.

This rule is intended to implement Iowa Code section 234.12.