



**Department of Energy**  
Washington, DC 20585

**WEATHERIZATION PROGRAM NOTICE 12-8**  
**EFFECTIVE DATE:** February 21, 2012

**SUBJECT:** 2012 POVERTY INCOME GUIDELINES AND DEFINITION OF INCOME

**PURPOSE:** To provide Grantees with the 2012 Poverty Income Guidelines and Definition of Income for use in the Department of Energy's (DOE) Weatherization Assistance Program (WAP).

**SCOPE:** The provisions of this guidance apply to all Grantees applying for financial assistance under the DOE WAP.

**LEGAL AUTHORITY:** Title IV, Energy Conservation and Production Act, as amended, authorizes the DOE to administer the WAP. All grant awards made under this program shall comply with all laws and regulations including, but not limited to, the WAP Regulations contained in 10 CFR Part 440, as applicable.

**PROCEDURES:** The definition of "low income" in the current WAP regulations is based on an income level that is 200 percent of the poverty level determined in accordance with criteria established by the White House Office of Management and Budget. See, 10 CFR 440.3. The annual revision of the poverty income guidelines was published in the **Federal Register**/Volume 77, Number 17/Thursday, January 26, 2012, on pages 4034-4035. Attached is a table displaying the revised guidelines showing income eligibility limits at 200 percent of poverty. Guideline tables for Alaska and Hawaii are also included. These guidelines are effective as of January 26, 2012, and apply to both farm and non-farm families. The Territories are to use the poverty guidelines of the 48 contiguous States and DC, Alaska or Hawaii. States should distribute these tables immediately to their Subgrantees for their use.

This notice also provides grantees with a definition of income for use in the WAP. Clarifications on income and eligibility issues are discussed in the Program Year 2012 Weatherization Grant Guidance, in section 5.8, Determining Eligibility Levels and Defining Income, of WPN12-1.

A handwritten signature in black ink, appearing to read "AnnaMaria Garcia".

for  
AnnaMaria Garcia  
Acting Program Manager  
Weatherization and Intergovernmental Program  
Office of Energy Efficiency and Renewable Energy

Attachment

## DEFINITION OF INCOME

- A. INCOME:** Income means Cash Receipts earned and/or received by the applicant before taxes during applicable tax year(s) **but not** the Income Exclusions listed below in **Section C.**
- B. CASH RECEIPTS:** Cash Receipts include the following:
1. Money, wages and salaries before any deductions;
  2. Net receipts from non-farm or farm self-employment (receipts from a person's own business or from an owned or rented farm after deductions for business or farm expenses);
  3. Regular payments from social security, railroad retirement, unemployment compensation, strike benefits from union funds, worker's compensation, veteran's payments, training stipends, alimony, and military family allotments;
  4. Private pensions, government employee pensions (including military retirement pay), and regular insurance or annuity payments;
  5. Dividends and/or interest;
  6. Net rental income and net royalties;
  7. Periodic receipts from estates or trusts; and
  8. Net gambling or lottery winnings.
- C. INCOME EXCLUSIONS:** The following Cash Receipts **are not** considered sources of Income for the purposes of determining applicant eligibility:
1. Capital gains;
  2. Any assets drawn down as withdrawals from a bank;
  3. Money received from the sale of a property, house, or car;
  4. One-time payments from a welfare agency to a family or person who is in temporary financial difficulty;
  5. Tax refunds;
  6. Gifts, loans, or lump-sum inheritances;
  7. College scholarships;
  8. One-time insurance payments, or compensation for injury;
  9. Non-cash benefits, such as the employer-paid or union-paid portion of health insurance;
  10. Employee fringe benefits, food or housing received in lieu of wages;
  11. The value of food and fuel produced and consumed on farms;
  12. The imputed value of rent from owner-occupied non-farm or farm housing;
  13. Federal non-cash benefit programs such as Medicare, Medicaid, Food Stamps, school lunches, and housing assistance;
  14. Combat zone pay to the military; and
  15. Child Support, as defined below in **Section E.**

**D. PROOF OF ELIGIBILITY:** Grantees and Subgrantees are reminded that proof of income eligibility and the associated documentation should be included in the client file.

1. **Availability of Supporting Documentation:** For purposes of review and audit, all associated documentation must be readily available, whether stored electronically or hard copy for each client.
2. **Eligibility Determined by Outside Agency/Program:** If income eligibility is determined by an outside agency or program, i.e. Low-Income Home Energy Assistance Program (LIHEAP) or the U.S. Department of Housing and Urban Development (HUD), then copies of the eligibility documentation can be a statement of LIHEAP eligibility or a copy of the HUD building list.
3. **Self-Certification:** After all other avenues of documenting income eligibility are exhausted, self-certification is allowable, but evidence of the various attempts at proving eligibility must be contained in the client file, **including** a notarized statement signed by the potential applicant indicating that he has no other proof of income.

**E. CHILD SUPPORT:** Child Support payments, whether received by the Payee or paid by the Payor, are not considered sources of Income for the purposes of determining applicant eligibility.

1. **Payee:** Where an applicant receives child support from any state program or individual during an applicable tax year, such assistance **is not** considered Income for the purposes of determining eligibility.
2. **Payor:** Where an applicant pays child support through a state program and/or to an individual, such assistance **is not** considered Income for the purposes of determining eligibility (i.e., where an applicant pays Child Support, he or she may not deduct said assistance for the purposes of determining eligibility).

**F. ANNUALIZATION OF INCOME:** Where an applicant receives Income for a part of the applicable tax year, their partial Income may be annualized to determine eligibility. (Example: Applicant A received income during January, February and March. The method of annualizing income to determine eligibility could be multiplied by four the amount of income received during those three months). The method of calculating annualization of Income is to be determined by the Grantee.

**G. RE-CERTIFICATION:** An income eligibility determination is valid for no more than one year. Re-certification of eligibility should occur at least every 12 months. The method of determining Re-Certification is to be determined by the Grantee.

**2012 POVERTY GUIDELINES  
CONTIGUOUS STATES U.S. GRANTEES  
EFFECTIVE JANUARY 26, 2012**

**INCOME LEVELS**

<b>Size of Family Unit</b>	<b>Threshold</b>	<b>200%</b>
1 .....	\$11,170	22,340
2 .....	15,130	30,260
3 .....	19,090	38,180
4 .....	23,050	46,100
5 .....	27,010	54,020
6 .....	30,970	61,940
7 .....	34,930	69,860
8 .....	38,890	77,780

For families with more than 8 persons, add \$3,960 for each additional person.

**2012 POVERTY GUIDELINES FOR ALASKA**

<b>Size of Family Unit</b>	<b>Threshold</b>	<b>200%</b>
1 .....	\$13,970	27,940
2 .....	18,920	37,840
3 .....	23,870	47,740
4 .....	28,820	57,640
5 .....	33,770	67,540
6 .....	38,720	77,440
7 .....	43,670	87,340
8 .....	48,620	97,240

For families with more than 8 persons, add \$4,950 for each additional person.

**2012 POVERTY GUIDELINES FOR HAWAII**

<b>Size of Family Unit</b>	<b>Threshold</b>	<b>200%</b>
1 .....	\$12,860	25,720
2 .....	17,410	34,820
3 .....	21,960	43,920
4 .....	26,510	53,020
5 .....	31,060	62,120
6 .....	35,610	71,220
7 .....	40,160	80,320
8 .....	44,710	89,420

For families with more than 8 persons, add \$4,550 for each additional person. Separate poverty guideline figures for Alaska and Hawaii reflect Office of Economic Opportunity administrative practice beginning in the 1966–1970 period. (Note that the Census Bureau poverty thresholds—the version of the poverty measure used for statistical purposes—have never had separate figures for Alaska and Hawaii.) The poverty guidelines are not defined for Puerto Rico or other outlying jurisdictions.