

January 16, 2026

GENERAL LETTER NO. 6-H-9

ISSUED BY: Bureau of Financial, Food, and Work Supports
Division of Community Access and Eligibility

SUBJECT: Employees' Manual, Title 6, Chapter H, **Rent Reimbursement**, 3 and 4, 6 and 7, 18, revised.

Summary

This chapter is revised to

- Update IAC references
- Yearly update of income limits

Effective Date

Upon receipt.

Material Superseded

Remove the following pages from Employees' Manual, Title 6, Chapter H, and destroy them:

Page	Date
3 and 4, 6 and 7, 18	January 17, 2025

Additional Information

Refer questions about this general letter to your eligibility determinations manager.

For any given source, always use net income if it is available. Otherwise use gross income.

“Income” does not include:

- Child Social Security insurance benefits (e.g., RSDI or children’s SSI) **received by a member of the Claimant’s Household**
- Gifts or loans from nongovernmental sources (i.e., financial help from family or friends who do not live in the Household)
- Surplus foods or other relief in kind supplied by a governmental agency
- Net operating losses
- Net capital losses
- State or federal income tax withheld

“Previous year” means the year before the Base Year.

“Totally disabled” means the inability to engage in any substantial gainful employment by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or is reasonably expected to last for a continuous period of not less than twelve months. For Rent Reimbursement, total disability must be determined by the Social Security Administration, Railroad Retirement Board, or being paid or rated at 100% disability from the United States Department of Veterans Affairs.

Eligibility

Legal reference: Iowa Code section 425.17; 441 IAC 62.1(425); 441 IAC 62.7(425); 441 IAC 62.20(425)

To be eligible for Rent Reimbursement, a Claimant must be age 65 or older as of December 31 of the base year or be age 18 or older and Totally Disabled as of December 31 of the Base Year. In addition, Claimants must:

- Have lived in Iowa for all or a portion of the Base Year;
- Live in Iowa at the time they submit the claim;
- Live in a property that is subject to property tax; and
- Not exceed the income threshold for the Base Year.

In the case of a deceased claimant who otherwise met all the eligibility criteria, a claim may be filed on their behalf by the person’s spouse, attorney, or guardian, or the executor or administrator of the person’s estate.

Filing Period

Legal reference: Iowa Code section 425.20; 441 IAC 62.13(425)

Claimants may submit claims for reimbursement for the Base Year and the Previous Year. Anything older than that is outside the allowed timeframe.

For calendar year 2026, Claimants can submit claims for rent paid in **2025** and **2024**. Claims for two years must be submitted separately. Each year has a different income threshold for determining eligibility.

- For rent paid in 2024, Claimants should use form 470-5736.
- For rent paid in 2025, Claimants should use form 470-0129.

Income Threshold

Legal reference: Iowa Code Section 425.23(4); 441 IAC 62.1(1)(c)

The income thresholds are updated each year by the Iowa Department of Revenue (IDR).

For **Base Year 2025**, the maximum income a Claimant can have to qualify for Rent Reimbursement is **\$26,894.99**.

For **Base Year 2024**, the maximum income a Claimant can have to qualify for Rent Reimbursement is **\$26,218.99**.

Household Composition

Legal reference: Iowa Code section 425.17; 441 IAC 62.1(2)(425)

Income is based upon the Household. Married spouses living together constitute one Household. When the spouses lived together for:

- The full 12 months of the Base Year, only one claim would be processed, and the income of both spouses is used to determine eligibility.
- Only a portion of the Base year, only the portion of the income earned by the spouse while living with the Claimant should be counted.

See the definition of Household Income on page 1. This includes individuals who are common law married.

4. Ms. Jeffries and her son live in a trailer that Ms. Jeffries owns. Ms. Jeffries is the lease holder responsible to pay the lot rent. Ms. Jeffries' son pays rent to her to live in the trailer. Only Ms. Jeffries has a basis of eligibility for Rent Reimbursement. If she files a Rent Reimbursement claim, she must list the amount her son pays her in rent as income. Ms. Jeffries' son is not eligible for Rent Reimbursement.

Amount of Rent Reimbursement

Legal reference: Iowa Code section 425.24

By law, the amount of rent that is attributable to property taxes paid is equal to twenty-three percent (23%) of gross rent paid. The system applies that calculation to the rent amount, with a maximum cap of \$1,000. The amount of reimbursement paid then ranges from zero to \$1,000 depending upon the Claimant's income level as follows:

Household Income - 2024	Reimbursement Percentage
\$0.00 – \$13,506.99	100%
\$13,507.00 – \$15,095.99	85%
\$15,096.00 – \$16,684.99	70%
\$16,685.00 – \$19,862.99	50%
\$19,863.00 – \$23,040.99	35%
\$23,041.00 – \$26,218.99	25%
\$26,219.00 or greater	Not allowed.

These income levels are adjusted annually. The table above reflects the income limits for claims for Base Year 2024. The table below reflects the income limits for claims for Base Year 2025.

Household Income - 2025	Reimbursement Percentage
\$0.00 – \$13,854.99	100%
\$13,855.00 – \$15,484.99	85%
\$15,485.00 – \$ 17,114.99	70%
\$17,115.00 – \$20,374.99	50%
\$20,375.00 – \$23,634.99	35%
\$23,635.00 – \$26,894.99	25%
\$26,895.00 or greater	Not allowed.

Ms. Gilman pays \$4,000 in rent annually and has an annual income of \$17,000. To calculate the amount of Rent Reimbursement she is eligible for, the system calculates twenty-three percent (23%) of \$4,000, which equals \$920. Then, the system multiplies \$920 by fifty percent (50%), which equals \$460. The amount of Rent Reimbursement Ms. Gilman is eligible for is \$460.

Ms. Petersen pays \$5,000 in rent annually and has an annual income of \$12,500. To calculate the amount of Rent Reimbursement she is eligible for, the system calculates twenty-three percent (23%) of \$5,000, which equals \$1,150. Since \$1,150 is more than \$1,000, the system takes \$1,000 and multiplies it by 100%, which equals \$1,000. The amount of Rent Reimbursement Ms. Petersen is eligible for is \$1,000.

Filing a Claim

Claimants are strongly encouraged to use the online application to file a claim. The Claimant will access the application via the Department's benefits portal at <https://benefits.stateofiowahhs.org/>. If Claimants need help filing a claim, there are two options:

- Claimants who are 60 years old or older may contact LifeLong Links by calling 1-866-468-7887 or by visiting their website at <https://lifelonglinks.org>, which can direct them to the appropriate Area Agency on Aging for assistance.
- Claimants who are under 60 years old can find a Community Action Agency that serves their county by visiting the Community Action Association's website at <https://iowacomunityaction.org>.

If the Claimant does not have access to the internet, you should ask them which county they live in and look up the appropriate agency's contact information for them. The Area Agencies on Aging and the Community Access Agencies also have access to a paper version of the application for Claimants who are unwilling or unable to file online.

Signatures

Claimants or preparers must sign the paper application. Claims received without a signature from the applicant or preparer should be returned to them to obtain the signature. Include in the instructions the date it is due and the consequences of failure to provide the signed application to the Department by the specified due date.

If the paper or online application indicates the Claimant is deceased, it is acceptable to have the signature of the spouse or a preparer. The preparer must be either a legal guardian, spouse, or attorney of the Claimant, or the executor of the Claimant's estate.

In other circumstances, such as when a partner agency assists a Claimant complete a paper or online application in person or on the telephone, the preparer may sign in addition to the Claimant, but the Claimant should still sign the paper application. The preparer should complete the application as if the Claimant is completing it. A spouse's signature is optional on both the paper and online applications.

When an appeal is filed, and you discover before a hearing that a Claimant has been underpaid, make the corrective payment without waiting for the appeal hearing. You need to provide the updated notice to the Appeals Unit and request to have the appeal withdrawn, if applicable.

Overpayments

Legal reference: 441 IAC 62.15(2)(Iowa Code Section 425.27(3)

Policy: If HHS discovers an overpayment, it must collect the overpayment, regardless of the cause. Eligibility Benefit Specialists (EBS) are responsible for entering overpayments in WOPR.

Procedure: Enter the overpayment in WOPR even if the client has already returned the warrant. This ensures proper accounting of the overpayment and repayment.

Clients who choose to voluntarily return a Rent Reimbursement warrant they were entitled to should not be entered into WOPR since this is not repayment of an overpayment.

Make referrals within 90 days of discovery of the debt. Use the WOPR Direct Claim Entry screens to make the referral. The claim section specifies:

- The program
- The debt amount
- The dates of the debt
- The reason for the debt
- The referral source
- The last information on the debtor for identification purposes

WOPR can collect from only one debtor at a time.

DIAL begins the recovery process once a “notice of debt” (demand letter) is issued to the debtor.

Creating Debtor and Claim Records

Debtor records are maintained permanently on the HHS Web-based Overpayment Recovery (WOPR) System. The debtor record includes the following information:

- Debtor name and Debtor ID
- SSN
- State ID
- Address
- Case number
- Fraud worker number