

Housing Allowance 2009

– A support scheme for households with high expenses and low income





I can enjoy the flowers more if I have fewer day-to-day worries.

Helene Bratthammer, 41, who has been laid off.

What is housing allowance?

The housing allowance system is a government-financed support scheme administered by the Housing Bank and the municipality. The purpose of the scheme is to help low-income households with high housing expenses to obtain, and remain in, secure housing of a good standard.

In most municipalities, housing allowance is dealt with by the housing office, social security office or Labour and Welfare Service (NAV) office. In Oslo, each city district has an office that provides these services. The housing allowance office in your municipality is responsible for handling applications and general enquiries about the scheme.

Who can claim housing allowance?

You can apply for housing allowance if you are over 18 unless you or someone in your household is doing his/her initial national service or is a student with no children. People with no children who are studying as part of a government-sponsored back-to-work programme, e.g. occupational rehabilitation, can also claim housing allowance. Parents living together with children who are studying do not lose their entitlement to housing allowance.

Applications and administrative procedures

You can obtain an application form from your local housing allowance office. Submit the form along with the necessary documentation (rent, mortgage etc.) to your local housing allowance office within the deadline. You can also apply for housing allowance online at altinn.no.

Payment: monthly

Application deadline: the 14th of each month

Decision and payment: around the 10th of the following month

Right to appeal

You can appeal against a decision if you believe that it is based on inaccurate information. Send a written appeal to your local housing allowance office. The deadline for appealing is three weeks after receiving notification of a decision or after receiving payment.

Information on the application form

It is your situation on the first day of the month that is used to calculate your housing allowance. For any given month, changes in your housing arrangements or household that occur after that date are not taken into account.

Calculating housing allowance

The dwelling for which you are claiming housing allowance must be approved as suitable for year-round habitation. In general, it must be a self-contained unit with its own entrance, bathroom/ toilet and kitchen facilities.

Calculating housing allowance

It is the ratio between household income and housing expenses that decides whether you are entitled to housing allowance.

- ❖ Rented accommodation: monthly rent
- ❖ Dwellings with shared costs (housing association, jointly-owned property, flats in properties organised as limited liability companies etc.):
 - actual interest payments, principal repayments and mortgage charges
 - shared costs
- ❖ - Dwellings without shared costs (detached houses):
 - a fixed amount to cover running costs, currently NOK 1000 per month
 - actual interest payments, principal repayments and mortgage charges
 - municipal taxes, at a fixed rate set by the municipal authority
 - property tax
 - lease hold fee
- ❖ People in receipt of an old age, disability or survivor's pension whose heating costs are not included in their rent or shared costs receive a fixed allowance to cover these expenses.

Maximum housing expenses:

Approved annual housing expenses cannot exceed a defined ceiling; contact the municipality or visit husbanken.no for further details.

Personal contribution:

The proportion of your housing expenses that you must pay yourself, based on total household income. Contact the municipality or visit husbanken.no for details.

How your housing allowance is calculated:

Approved housing expenses

– Personal contribution

= Sum

= Sum x 70 %* = housing allowance

*80% for tenants living in municipal rented housing.

Rental income

The general rule is that the household's total income based on the most recent available tax assessment is used as the basis for calculating housing allowance. From July, for most people this will be the 2008 tax assessment.

From the tax assessment, the higher of the following is used:

- personal income (gross annual income)
- general income plus the minimum standard deduction

For children under the age of 18, only income in excess of NOK 30,000 per year will be included when calculating household income.

If you have income or wealth abroad, you must inform the municipality.



I appreciate the small joys of life with my daughter so much more now that my financial situation is more secure.
Anne Olafsen, 56-year-old mother.

Rental income

You must declare any tax-free income that you receive from renting out part of your own dwelling. Any such rental income will be counted as income when calculating your housing allowance.

Wealth

Sixteen per cent of the household's net wealth as stated in the tax assessment is added to its income. If you live in rented accommodation, NOK 250,000 of your assets are deducted before this is calculated. If you are a homeowner, the tax value of your own home up to a ceiling of NOK 500,000 is excluded from the calculation.

Increases or decreases in income

If you or someone in your household has suffered a substantial reduction in income since the last tax assessment, you can apply for your allowance to be calculated on the basis of your actual (monthly) income. If you or someone in your household has experienced a substantial increase in income since the last tax assessment – as a result of starting work, receiving benefits or an increase in wealth – you must inform the municipality.

Upper income limits

Upper limits have been stipulated on household income depending on factors such as the number of household members.

This means that, irrespective of how high your housing expenses are, you will not receive housing allowance if your income is above the upper income limit. Contact the municipality for further information about the upper income limit for your household.

Transfer of housing allowance to the municipality

If the municipality has paid you social security benefits or provided loans/ grants to cover your housing expenses, the municipality can demand that your housing allowance is paid to it. This is dependent on the applicant consenting to this.



Further information

For further information, visit
www.husbanken.no or contact your local
housing allowance office. This brochure
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