

Government support for homeowners affected by the COVID-19 pandemic

**Unite
against
COVID-19**

As the COVID-19 pandemic and lockdown continues in New Zealand, there is a risk that some households will come under financial stress and struggle to meet their accommodation costs. For some, this could mean that they cannot afford to pay their rates to councils.

The Government has two main options for supporting homeowners with their rates payments, being the Rates Rebate Scheme, and the Accommodation Supplement (AS). The Rates Rebates Scheme provides low income homeowners with a partial refund on annual rates. Go to www.hastingsdc.govt.nz/rates-rebate for more information re eligibility. Details on the Accommodation Supplement are provided below:

About the accommodation supplement (AS)

- AS is the Government's primary assistance for accommodation costs, including for homeowners seeking help with their rates payments
- People do not need to receive a main benefit to be eligible for AS
- Homeowners must occupy the house that they are paying accommodation costs for as their own home
- The AS is a non-taxable, weekly payment
- Payment amounts will depend on a person's financial position (assets and income), accommodation costs, family circumstances and where they live
- People can apply for the AS through Work and Income either online at: www.workandincome.govt.nz/online-services/apply or by phone on 0800 559 009. A phone appointment will then be arranged once an application is processed.

What can be claimed for by homeowners?

The following accommodation costs to be claimed:

- mortgage repayments (interest and principal repayments on mortgages for a house)
- payment towards a deposit if included in a rent to buy contract
- retirement village residents with 'Licence to occupy'
- body corporate fees
- local authority rates. If the applicant receives a rebate on any of these items, this must always be deducted
- water rates
- house insurance premiums excluding contents insurance
- mortgage protection insurance or life insurance where this is compulsory for the mortgage
- essential repairs and maintenance costs to the home.

Other costs that can be claimed for are:

- leasehold rental for leasehold land and rents for houses on Māori land
- principal and interest repayments made under the Loans for Major Repairs Advances to Homes scheme
- costs of a farm residence, but only if these costs are not claimed as an expense in the farm business account
- costs of a home that is also being used as a business, but only if these costs are not claimed as an expense for the business.



Eligibility

To be eligible for AS, you will need to:

- be incurring accommodation costs and occupy the house as a home where the costs are being paid
- be aged 16 years or more, although 16- and 17-year olds must be financially independent
- be a New Zealand citizen or permanent resident
- generally be ordinarily resident in New Zealand and intend to stay here
- not be paying rent for a social housing property provided by Kāinga Ora (formerly Housing New Zealand) or an approved community housing provider
- meet a cash asset test. Cash assets means money in the bank or other assets that can easily be converted into cash. It may include a house or flat that are owned but are not being used as the primary home (because that property could be sold and converted to cash)
- meet an income test.

People do not need to receive a main benefit to be eligible for the AS. If a person's income is below the threshold, they can apply as a non-beneficiary to receive the AS to complement their income. Non-beneficiaries will have to meet both an asset and income test. The asset test is the same as for beneficiaries.

There are a number of specific circumstances that will affect an applicant's entitlement to the AS. These can be viewed here: <https://www.workandincome.govt.nz/map/income-support/extra-help/accommodation-supplement/specific-circumstances-01.html>

Full eligibility criteria are available here: <https://www.workandincome.govt.nz/map/income-support/extra-help/accommodation-supplement/qualifications.html>

An online eligibility test is available here: <https://check.msd.govt.nz/>

Payment amounts

The amount of AS payment that an applicant might receive will depend on homeowners income, assets, accommodation costs, family circumstances and where they live.

How to apply for the accommodation supplement

Homeowners seeking assistance can apply online at: <https://www.workandincome.govt.nz/online-services/apply/index.html>.

A phone appointment will then be arranged once an application is processed.

For any further information or if there are further questions, homeowners should be directed to Work and Income either through links noted above or by phone on **0800 559 009**.