

**GENERAL INFORMATION SYSTEM**  
**Center for Employment & Economic Supports**

May 21, 2014

Page: 1

**TO:** Subscribers

**SUGGESTED DISTRIBUTION:** Commissioners, TA and SNAP Directors, Training Coordinators

**FROM:** Phyllis Morris, Deputy Commissioner  
Center for Employment and Economic Supports

**SUBJECT:** SNAP Budgeting Shelter Expense of Mortgage Costs when in Foreclosure

**EFFECTIVE DATE:** Immediately

**CONTACT PERSON:** Your OTDA SNAP Liaison, SNAP Bureau, 518-473-1469

**Background**

In recent months, we have fielded several questions and there have been several fair hearings regarding the disallowance of mortgage payments as shelter costs for SNAP households who are in foreclosure proceedings on the household's home.

**Purpose**

The purpose of this GIS is to remind districts that mortgage costs are allowed as a shelter expense for SNAP budgeting purposes, even when the mortgage is in foreclosure and is not being paid. Similarly, rent costs that are owed but not being paid also are allowable as a SNAP shelter expense.

Allowable shelter expenses for SNAP include the **incurred** costs for rent, mortgages, and loans, such as home equity loans where the home is collateral to the loan, condo and association fees, taxes or loan repayments for the purchase of a mobile home, including interest on such payments for shelter occupied by the SNAP household.

Costs for shelter temporarily **not** occupied by the SNAP household also are allowable when the SNAP household does not occupy the home because of distant employment or illness or was forced to vacate the shelter due to a disaster. In order to include the costs of a vacated home in the household's shelter costs:

1. the current occupant of the home, if any, is not permitted to claim the shelter costs for SNAP;
2. the SNAP household that has vacated the residence must intend to reoccupy the home; and
3. the home must not be leased or rented during the SNAP household's absence.

When an obligated debt such as a mortgage cost, rent or lease payment exists, the cost is still being incurred even if the household is not current on their mortgage payment. Therefore, the amount of the mortgage cost, homeowners insurance and property taxes,

**GENERAL INFORMATION SYSTEM**  
**Center for Employment & Economic Supports**

**May 21, 2014**  
Page: 2

or rent remain allowable as allowable shelter expenses even when not being paid, including throughout the period of foreclosure and eviction proceedings.

**NOTE:** Penalty fees for being late in making payments on utilities, mortgages and/or property taxes are not to be included as a shelter cost and are not allowable as deductions for SNAP purposes.