

Eligibility Criteria Clarifications

Assets that are excluded from the \$20,000 asset limit:

1. One household vehicle (additional household vehicles are not excluded)
2. Value of tools of trade essential to the work of a member of the household
3. The value of a prepaid funeral
4. The cash surrender value of a life insurance policy up to a maximum value of \$100,000 for the household
5. The proceeds of a loan taken against a life insurance policy that will be used for disability-related items or services
6. If a member of the household has received a payment under the *Ministry of Community and Social Service Act* for the successful participation in a program of activities described in paragraph 9 of section 26 of Ontario regulation 134/98 made under the *Ontario Works Act, 1997*, the value of any portion of that payment that, within a time that is reasonable in the opinion of the service manager, will be used for the member's post-secondary education
7. The value of funds held in a Registered Education Savings Plan, for a child of a member of the household
8. The value of clothing, jewellery and other personal effects of household members
9. The value of furnishings in the accommodations not including any items used primarily for the operation of a business
10. The value of the beneficial interest in a trust of a member of the household who has a disability if the capital of the trust was derived from an inheritance or from the proceeds of a life insurance policy up to a maximum value of \$100,000 for each household member
11. The value of the funds held in a Registered Disability Savings Plan, if the beneficiary of the plan is a member of the household
12. The value of funds held in an account of a member of the household in conjunction with an initiative under which the Service Manager or an entity approved by the Service Manager commits to contribute funds toward the member's savings goals



Below is an example of how an asset limit is calculated for eligible and ineligible households.

<p>Total household assets do not exceed \$20,000</p>	<p>Household is Eligible</p> <p><i>Example: the household owns one vehicle valued at \$25,000. The value of this vehicle is excluded from household assets value.</i></p>	<p>Household is not Eligible</p> <p><i>Example: the household meets all eligibility criteria but has investment accounts valued at \$40,000.</i></p>
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What is a Guarantor?

A Guarantor is someone who co-signed a lease/occupancy agreement assuming responsibility for the rent.

What is considered a significant decrease in income?

<p>Household experienced a loss that resulted in a significant reduction in income (decrease of at least 20% or more)</p>	<p>Household is Eligible</p> <p>The household’s income has decreased by at least 20%</p> <p><i>Example: household’s total income was \$2,000/month. After the loss it decreased to \$1,500/month = the loss of income is 25%.</i></p>	<p>Household is Not Eligible</p> <p>Loss of income less than 20%</p> <p><i>Example: household’s total income was \$3,000/month. After the loss it decreased to \$2,500/month = total loss of income is 17%. This household would not qualify for STAR.</i></p>
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For a household to be eligible for STAR, the household must demonstrate that they can’t pay the rent. How is that calculated?

<p>Household can’t pay rent – over 50% of the household’s income is paid in rent and utilities</p>	<p>Household is Eligible</p> <p>As a result of the reduction in the household’s income they now pay over 50% of their income on rent and utilities. Example:</p> <p><i>Prior to the loss the household’s income was \$3,000/month and it paid 40% (\$1,200/month) of total income for rent and utilities. Due to the loss, the household income decreased by 23% to \$2,300/month and it now pays 52% (\$1,200/month) of total household income for rent and utilities.</i></p>	<p>Household is Not Eligible</p> <p>Household experienced a reduction in income of over 20% but pays less than 50% of household income for rent and utilities.</p> <p><i>Example: prior to the loss the household’s income was \$4,000/month and it paid 30% (\$1,200/month) of total income for rent and utilities. Due to the loss, the household’s income decreased by 25% to \$3,000 and it now pays 40% (\$1,200/month) of total income for rent and utilities.</i></p>
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