

# **HOUSING PROVIDER BULLETIN**

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## **TREATMENT OF LUMP SUM PAYMENTS**

With the recent regulation changes, the Province has clarified the treatment of lump sum payments. O.Reg. 298/01 s.50 (2.1)

A retroactive or advanced lump sum payment is to be considered as income for the months intended - **not** as income in the month received.

For example, where a retroactive Canada Pension Plan (CPP) payment is made which covers a 6 month period, a retroactive rent calculation is done for each of the six months.

**EXAMPLE:**

A household receives a Canada Pension Plan retroactive payment in June 2006. The payment covers the period from January to June. The rent must be re-calculated each month from January to June to determine the amount that the household owes.