Income Determination Module 5

2025

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Contact Information

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Department Phone Number: (512) 475-3800
or (800) 525-0657 (toll free in Texas only)

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Announcements

Schedule:

- The training will run from 12 pm until approximately 1:30 pm
- Staff will present the training and allow for questions after each topic is covered

Housekeeping:

- Certificates will NOT be provided after the conclusion of the class
- We suggest you silence your phones and put an "out of office" email response, to help avoid distractions during the training
- Please pose questions and comments in the "Chat Box" or the "Questions Box"

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Resources & Definitions

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General Resources

- **HUD Handbook 4350.3**
  - https://www.hud.gov/program_offices/administration/hudclips/handbooks/hsgh/4350.3
  - Chapters 3 and 5 along with corresponding tools and exhibits
- **HUD Notice H 2023–10 and Notice PIH 2023–27**
  - https://www.hud.gov/sites/dfiles/OCHCO/documents/2023-27pihn.pdf
  - This document replaces Chapters 3 and 5 of the HUD 4350.3 until/unless a revised Handbook is released
  - This document was updated to include further clarifications on February 2, 2024
- **Technical Guide for Determining Income and Allowances for the HOME Program**
  - https://files.hudexchange.info/resources/documents/HOMEGuideForIncomeAndAllowances.pdf
- **24 CFR 5.609 – Annual Income**
  - https://www.ecfr.gov/current/title-24/subtitle-A/part-5#5.609
- **Texas Administrative Code**
  - https://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=3&ti=10&pt=1

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Multifamily Compliance Resources

- **Multifamily Compliance Forms**
  - https://www.tdhca.texas.gov/compliance-forms
- **Multifamily Compliance Manuals and Rules**
  - https://www.tdhca.texas.gov/compliance-manuals-and-rules
- **Income and Rent Limits**
  - https://www.tdhca.texas.gov/income-and-rent-limits
- **Multifamily Compliance Training and Presentations**
  - https://www.tdhca.texas.gov/compliance-training
  - https://www.tdhca.texas.gov/compliance-program-training-presentations
- **Contact List**
  - https://www.tdhca.texas.gov/compliance-division-staff
- **TBRA Links**
  - https://www.tdhca.texas.gov/tenant-based-rental-assistance-tbra-program

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Definitions

- **Income**
  - ALL amounts, monetary or not, that go to or are received on behalf of the Head, Spouse, or Co-Head (even if the member is temporarily absent), or any other member
  - ALL amounts anticipated to be received from a source outside the applicant group during the 12-month period following admission or certification
  - Annual Income includes all amounts not specifically excluded by regulation (24 CFR 5.609)
  - For a listing of income exclusions, refer to Notice 2023–10 and Notice 2023–27. (https://www.hud.gov/sites/dfiles/OCHCO/documents/2023-27pihn.pdf)
- **Assets**
  - Assets are items of value that may be turned into cash
  - Not all items of value are considered an asset
  - Items are not required to be "cashed out" at time of application
  - Income from Assets includes all amounts not specifically excluded by regulation
  - For a listing of asset inclusions and exclusions, refer to Notice 2023–10 and Notice 2023–27. (https://www.hud.gov/sites/dfiles/OCHCO/documents/2023-27pihn.pdf)

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Household versus Family

- **Household**
  - All members of the applicant group
- **Family**
  - All members of the applicant group, or household, that must be included for purposes of eligibility

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Common Assets

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Assets: Whose Assets Count?

Family Members	Earned Income	Other Income (including income from assets)
Head	Yes	Yes
Spouse	Yes	Yes
Co-Head	Yes	Yes
Other Adult	Yes	Yes
Dependents (under 18)	No	Yes
Full-time Student - 18 or older	Yes**	Yes

Household Members	Earned Income	Other Income (including income from assets)
Live-in Aide	No	No
Foster Adult	No	No
Foster Children (under 18)	No	No

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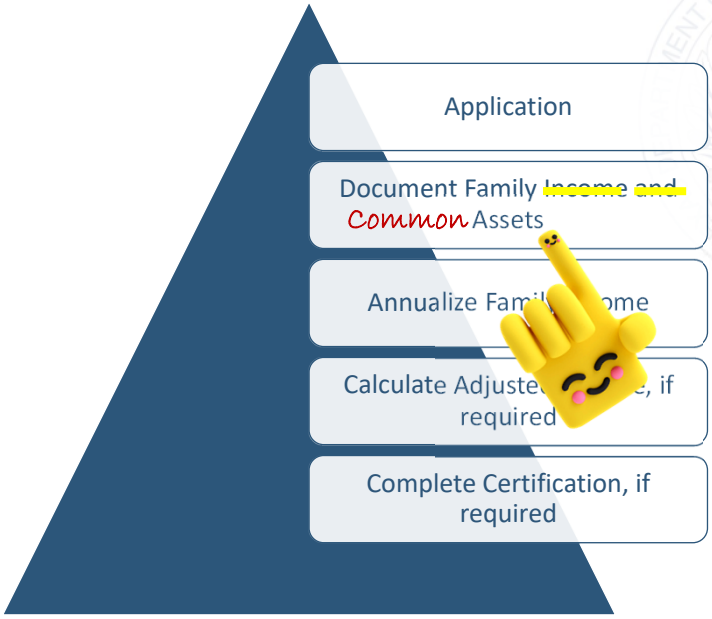
The Qualifying Process: Steps to Eligibility Determination



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Income: Excluded Income Sources

- Insurance Payments and Settlements
- **Employment Income for Students**
- Payments to keep family members with disabilities living at home
- Payments from the U.S. Census Bureau for work on Decennial Census
- Direct Federal/State Payments for Economic Stimulus or Recovery
- **Tax Returns****
- Gifts for holidays, birthdays, or other significant life events
- Lump sum additions to assets like lottery winnings
- Civil Settlements from an action that caused someone to become disabled
- Income or lump sums received from Civil Rights Settlements
- Back-pay received as a result of a Civil Rights Action
- **Workers' Compensation**
- Income received from a retirement account
  - Except for periodic payments
- **Certain Student Financial Assistance**
- VA Benefits for HUD-VASH Voucher Holders (NEW)
- Any other income excluded by 24 CFR 5.609

Any of the Lump Sums outlined on this slide that are placed in an asset, except Tax Returns, will count towards the household assets.

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Assets: Excluded Assets

The Rodriguez family received a $4,500 federal tax refund on 3/1/2024 and deposited the refund into their checking account. At their next annual reexamination with an effective date of 8/1/2024, the PHA/MFH Owner asks the family about any assets they own, the anticipated income from the assets, and if they received a federal tax refund or refundable tax credits in the past 12 months and where they deposited the refund/refundable tax credits or if they purchased savings bonds with the refund.

The Rodriguez family explain that they received a $4,500 refund and that they deposited the refund into their checking account, which has a balance of $10,000. The Rodriguez family reports that they have actual income of $100 from the checking account this year. The family owns no other assets. Therefore, the family's total calculation of net family assets is $10,000. In determining the total value of net family assets, the PHA/MFH Owner subtracts $4,500 from the total of $10,000 of net family assets, for a total countable asset of $5,500. The full value of actual income is included as income, because actual income is always included even on excluded assets.

Notice H 2023–10 & Notice PIH 2023–27
Example F2: Federal Tax Refund Excluded from Net Family Assets

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Assets: Retirement Accounts

Retirement accounts are no longer included in the calculation of net family assets

Income from interest/dividends is not included in the calculation of income, but regular disbursements are income

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Assets

Assets are items of value that may be turned into cash

- Not all items of value are considered an asset
- Items are not required to be "cashed out" at time of application

STEP 1: "ACTUAL INCOME" - The amount of income those assets are earning or could earn

STEP 2: "CASH VALUE" - The total cash value of the family's assets

STEP 3; if required: "IMPUTED INCOME" - The amount of income for assets that do not have a determinable rate of return when the net family assets are more than $51,600

For any assets whose actual income cannot be determined, calculate imputed income when the household's net family assets are over $51,600.

Do NOT calculate imputed income for assets whose income is determinable.

Do NOT calculate the imputed income based on the total cash value of the assets.

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Assets: Actual Income

Not all assets have income

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Assets: Verification Requirements

- HOTMA requires that all households have assets fully verified once during each 3 years of tenancy, households may then self-certify assets when the total is equal to or less than $51,600. There are some exceptions to this rule:
  - HTC, Exchange, TCAP, and THTF may self-certify assets when the amount is $51,600 or less
  - **BOND must fully verify assets at initial certification and during each 3rd year of tenancy when an income certification is completed**
  - MFDL Programs: at Initial Certification the assets must be fully verified by third party or first-hand documentation; also, during the 6th year of the affordability period certifications the assets must be verified
- For 811 Program units, the assets must be fully verified by third party or first-hand documentation at Move-In and Initial Certifications and during each 3rd year certification for the household
  - All 811 households must have their assets fully verified during the first HOTMA recertification
- **All assets can be verified using one (1) statement from the financial institution**
  - When verification of assets is required, Owners are required to obtain a minimum of one statement that reflects the current balance of banking/financial accounts

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Assets: Self-Certification or Verification

Asset Certification

- The use of this form is not allowed if program or certification year requires full verification of assets
- Must be used in addition to the application screening tool to certify disposed of assets as well as assets held currently by the household
- Required, if assets are under or equal to required threshold during years when asset verifications are not required

Asset Verification

- Required if a household's total assets cash value is greater than the HUD threshold, currently $51,600, and if program or certification year requires full verification (discussed on previous slide)
- Must be sent directly to the financial institution which holds the asset and returned directly to the development

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Assets: Formulas

Step 1: Determine the Actual Income from the Asset:

Step 2: Determine the Cash Value of the Asset:

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Assets: Determining Actual Income

Step 1: Determine the Actual Income from the Asset

If the combined cash value of the net family assets is under the HUD Asset Verification Threshold for the family, ONLY the actual income from assets is included. **$51,600 ≥ Total Assets** **Only Actual Income from Assets is included**	If the combined cash value of the net family assets is greater than the threshold, the annual income includes the actual income from assets with a determinable rate of return and the imputed income calculated on assets without a determinable rate of return using the current passbook savings rate (.45%) as established by HUD. **$51,600 < Total Assets** **For assets where the actual income is known use the actual income; for the assets without actual income use the imputed income**

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Assets: Determining Cash Value

Step 2: Determine the Cash Value of an Asset

The "cash value" of an asset is the market value less reasonable expenses that would be incurred in selling or converting the asset to cash.	The cash value is the amount the family could receive in cash if the family converted an asset to cash.

The family is not required to convert an asset to cash.

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Assets: Determining Imputed Income

Step 3: Determine the Imputed Income from the Asset, if required

If the combined cash value of the net family assets is OVER the HUD Asset Verification Threshold for the family, the actual income from assets is included for the assets where it is determinable, and the imputed income (current passbook savings rate is used) is included for those that do not have a determinable rate of return.

$51,600 ≤ Total Net Family Assets

Actual & Imputed Income from Assets is included

What to consider with regards to Imputed Income:

- Do non-necessary personal property total more than the threshold?
  - If yes, they are included in net family assets along with all actual income from the assets.
    - If the assets do not have a determinable rate of return, imputed income must be calculated and included.
  - If no, the amount of the asset is excluded from net family assets, but the actual income (if any) is included in household income from assets.
- Does the family have real property (real estate/land)?
  - If yes, it is included in net family assets regardless of value.
  - If the value of real property and non-necessary personal property puts the net family assets over the threshold, imputed income must be calculated unless the asset is receiving income, like a rental property.

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Assets: Determining Imputed Income

If net family assets is over the threshold, then any asset without a determinable rate of return must have imputed income calculated.

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Assets: Actual and Imputed Income

- **Actual Income** from assets is always included in a family's annual income, regardless of the total value of net family assets or whether the asset itself is included or excluded from net family assets, unless that income is specifically excluded by 24 CFR 5.609(b).
- **Imputed Income** must be calculated for specific assets when three conditions are met:
  - The value of net family assets exceeds $51,600;
  - The specific asset is included in net family assets; and
  - Actual asset income cannot be calculated for the specific asset.
- All assets are categorized as either **real property** (e.g., land, a home) or **personal property**. Personal property includes tangible items, like boats, as well as intangible items, like bank accounts.
  - **Necessary** personal property is excluded from net family assets.
  - **Non-necessary** personal property with a combined value greater than $51,600, as adjusted for inflation, is considered part of net family assets; if the combined value is $51,600 or less then all of the non-necessary personal property is excluded from net family assets.
  - For example, a family could have **non-necessary personal property** with a combined value that does not exceed $51,600 but also own **real property** such as a parcel of land. Even though the non-necessary personal property would be excluded from net family assets, the real property would be included in net family assets regardless of its value.

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Assets: Necessary versus Non-Necessary

Table F1: Examples of Necessary and Non-Necessary Personal Property

Necessary Personal Property	Non-Necessary Personal Property
• Car(s)/vehicle(s) that a family relies on for transportation for personal or business use (e.g., bike, motorcycle, skateboard, scooter) • Furniture, carpets, linens, kitchenware • Common appliances • Common electronics (e.g., radio, television, DVD player, gaming system) • Clothing • Personal effects that are not luxury items (e.g., toys, books) • Wedding and engagement rings • Jewelry used in religious/cultural celebrations and ceremonies • Religious and cultural items • Medical equipment and supplies • Health care–related supplies • Musical instruments used by the family • Personal computers, phones, tablets, and related equipment • Professional tools of trade of the family, for example professional books • Educational materials and equipment used by the family, including equipment to accommodate persons with disabilities • Equipment used for exercising (e.g., treadmill, stationary bike, kayak, paddleboard, ski equipment)	• Recreational car/vehicle not needed for day-to-day transportation (campers, motorhomes, travel trailers, all-terrain vehicles (ATVs)) • Bank accounts or other financial investments (e.g., checking account, savings account, stocks/bonds) • Recreational boat/watercraft • Expensive jewelry without religious or cultural value, or which does not hold family significance • Collectibles (e.g., coins/stamps) • Equipment/machinery that is not used to generate income for a business • Items such as gems/precious metals, antique cars, artwork, etc.

Examples of Necessary and Non-Necessary Personal Property from **Notice H 2023–10** **Notice PIH 2023–27**

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Assets: Always vs. Never

Assets to consider and assets always excluded from February 2024 update to **Notice H 2023–10 & Notice PIH 2023–27**

Assets to consider	Assets always excluded
• Checking and savings accounts • Stocks, bonds, mutual funds • Luxury items or items that are not necessary, e.g., recreational boat, vehicles not used for regular transportation • Assets disposed of for less than fair market value; for example, if you gave away a house to someone out outside of the assisted family within the past two years, the value of the house would be considered an asset (except as determined by certain divorce or separation settlements)	• Retirement accounts (e.g., IRAs, 401k, 403b) • Educational savings accounts (Section 529, Section 530, Coverdell ESA, etc.) • ABLE accounts • Non-revocable trusts • Necessary items of personal property (items essential for the maintenance, use, and occupancy of a home or necessary for employment, education, cultural expression, or health and wellness) • Federal tax refunds (must be subtracted from total net family assets)

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Assets: Tax Return Excluded on the Income Certification #1

Putting it on the Income Certification:

Checking account with no interest:	$180	Income: $0.00 (actual)
Savings account with 2% interest rate:	$8,000	Income: $160.00 (actual)
Land with no determined rate of return:	$25,000	Income: $0 (under $51,600)
Tax Return total for the household:	**($2,000)**	**Excluded**
Total of Net Family Assets:	$23,000	

PART IV. INCOME FROM ASSETS

HH Mbr #	(F) Type of Asset	(G) C/D	(H) N/R	(I) Cash Value of Asset	(J) A/I	(K) Annual Income from Asset
1	Checking	C	N	$180.00	A	$0.00
1	Savings	C	N	$8,000.00	A	$160.00
1	Land/Real Estate	C	R	$25,000.00	n/a	$0.00
1	Tax Return Removed			($2,000)	n/a	n/a

(L) TOTAL NON-NECESSARY PERSONAL PROPERTY:	$8,180.00	(M) Total Actual Income:	$160.00
(N) TOTAL NET FAMILY ASSETS:	$23,000.00	(O) Total Imputed Income:	$0.00
		(P) TOTAL INCOME FROM ASSETS [(M) + (O)]:	$160.00

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Assets: Tax Return Excluded on the Income Certification #2

Putting it on the Income Certification:

Checking account with no interest:	$18,000	Income: $0.00 (actual)
Savings account with 2% interest rate:	$8,000	Income: $160.00 (actual)
Land with no determined rate of return:	$25,000	Income: $0.00
Tax Return total for the household:	**($2,000)**	**Excluded**
Total of Net Family Assets:	$23,000	

PART IV. INCOME FROM ASSETS

HH Mbr #	(F) Type of Asset	(G) C/D	(H) N/R	(I) Cash Value of Asset	(J) A/I	(K) Annual Income from Asset
1	Checking	C	N	$18,000.00	A	$0.00
1	Savings	C	N	$8,000.00	A	$160.00
1	Land/Real Estate	C	R	$25,000.00	n/a	$0.00
1	Tax Return Removed			($2,000.00)	n/a	n/a

(L) TOTAL NON-NECESSARY PERSONAL PROPERTY:	$26,000.00	(M) Total Actual Income:	$160.00
(N) TOTAL NET FAMILY ASSETS:	$23,000.00	(O) Total Imputed Income:	$0.00
		(P) TOTAL INCOME FROM ASSETS [(M) + (O)]:	$160.00

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Assets: Tax Return Excludedon the Income Certification #3

Putting it on the Income Certification:

Checking account with no interest:	$18,000	Income: $0.00 (actual)
Savings account with 2% interest rate:	$35,000	Income: $700.00 (actual)
Land with no determined rate of return:	$25,000	Income: $100.00 (imputed)
Tax Return total for the household:	**($5,000)**	**Excluded**
Total of Net Family Assets:	$73,000	

PART IV. INCOME FROM ASSETS

HH Mbr #	(F) Type of Asset	(G) C/D	(H) N/R	(I) Cash Value of Asset	(J) A/I	(K) Annual Income from Asset
1	Checking	C	N	$18,000.00	A	$0.00
1	Savings	C	N	$35,000.00	A	$700.00
1	Land/Real Estate	C	R	$25,000.00	I	$100.00
1	Tax Return Removed			($5,000.00)	n/a	n/a

(L) TOTAL NON-NECESSARY PERSONAL PROPERTY:	$53,000.00	(M) Total Actual Income:	$700.00
(N) TOTAL NET FAMILY ASSETS:	$73,000.00	(O) Total Imputed Income:	$100.00
		(P) TOTAL INCOME FROM ASSETS [(M) + (O)]:	$800.00

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Assets: Tax Return Excluded on the Income Certification #4

Putting it on the Income Certification:

Checking account with no interest:	$1,000	Income: $0.00 (actual)
Savings account with 2% interest rate:	$300	Income: $6.00 (actual)
Land with no determined rate of return:	$75,000	Income: $300.00 (imputed)
Tax Return total for the household:	**($5,000)**	**Excluded**
Total of Net Family Assets:	$70,000	

PART IV. INCOME FROM ASSETS

HH Mbr #	(F) Type of Asset	(G) C/D	(H) N/R	(I) Cash Value of Asset	(J) A/I	(K) Annual Income from Asset
1	Checking	C	N	$1,000.00	A	$0.00
1	Savings	C	N	$300.00	A	$6.00
1	Land/Real Estate	C	R	$75,000.00	I	$300.00
1	Tax Return Removed			($5,000.00)	n/a	n/a

(L) TOTAL NON-NECESSARY PERSONAL PROPERTY:	$1,300.00	(M) Total Actual Income:	$6.00
(N) TOTAL NET FAMILY ASSETS:	$70,000.00	(O) Total Imputed Income:	$300.00
		(P) TOTAL INCOME FROM ASSETS [(M) + (O)]:	$306.00

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Learning Point: Are Retirement Accounts Included?

If the household indicated on their application that they have a retirement account, should it be included in the net family assets?

a) Yes
b) Yes, but only if they are retirement age
c) No, HOTMA removed this requirement
d) Yes, but only if there is $100,000 in the account

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Assets: Common Assets

Cash on Hand

Cash Value = Amount of cash on hand

Actual Income = Zero, cash does not generate income

Checking Account

Cash Value = Current Balance

Actual Income = Interest Income, if any

Savings Account

Cash Value = Current Balance

Actual Income = Interest Income

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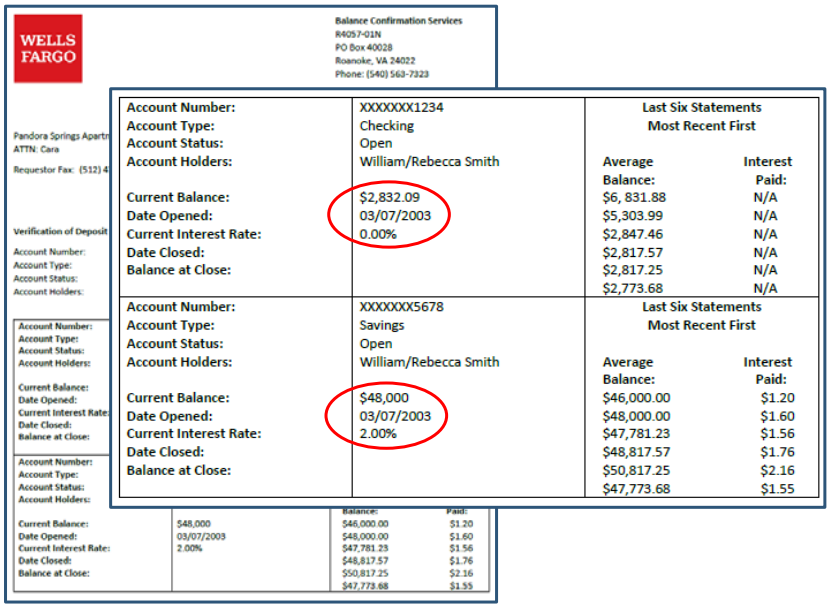
Learning Point: Checking and Savings – Wells Fargo



WELLS FARGO

Balance Confirmation Services
R4057-01N
PO Box 40028
Roanoke, VA 24022
Phone: (540) 563-7323

Pandora Springs Apartments
ATTN: Cara
Requestor Fax: (512) 4

Verification of Deposit

		Last Six Statements Most Recent First	
Account Number:	XXXXXXX1234		
Account Type:	Checking		
Account Status:	Open		
Account Holders:	William/Rebecca Smith		
		Average Balance:	Interest Paid:
Current Balance:	$2,832.09	$6, 831.88	N/A
Date Opened:	03/07/2003	$5,303.99	N/A
Current Interest Rate:	0.00%	$2,847.46	N/A
Date Closed:		$2,817.57	N/A
Balance at Close:		$2,817.25	N/A
		$2,773.68	N/A
Account Number:	XXXXXXX5678	Last Six Statements Most Recent First	
Account Type:	Savings		
Account Status:	Open		
Account Holders:	William/Rebecca Smith		
		Average Balance:	Interest Paid:
Current Balance:	$48,000	$46,000.00	$1.20
Date Opened:	03/07/2003	$48,000.00	$1.60
Current Interest Rate:	2.00%	$47,781.23	$1.56
Date Closed:		$48,817.57	$1.76
Balance at Close:		$50,817.25	$2.16
		$47,773.68	$1.55

Checking Account
Actual Income: **$**
Cash Value: **$**

Savings Account
Actual Income: **$**
($48,000 x 2%)
Cash Value: **$**

Checking and savings accounts do not (should not) have a cost to convert; cash value will be the same as market value for these accounts.

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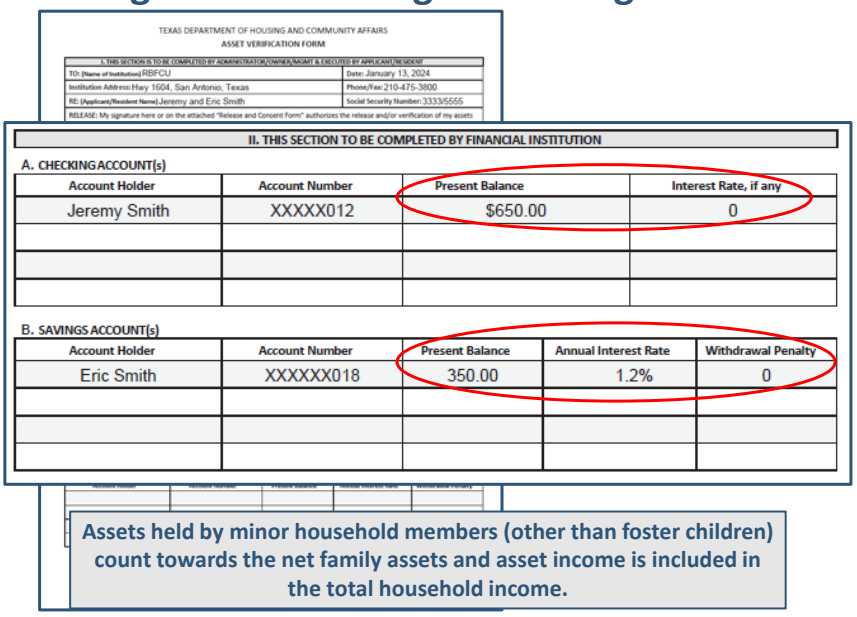
Learning Point: Checking and Savings – Credit Union



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
ASSET VERIFICATION FORM

I. THIS SECTION IS TO BE COMPLETED BY ADMINISTRATOR/OWNER/MGMT & EXECUTED BY APPLICANT/RESIDENT

TO: [Name of Institution] RBFCU — Date: January 13, 2024
Institution Address: Hwy 1604, San Antonio, Texas — Phone/Fax: 210-475-3800
RE: [Applicant/Resident Name] Jeremy and Eric Smith — Social Security Number: 3333/5555
RELEASE: My signature here or on the attached "Release and Consent Form" authorizes the release and/or verification of my assets

II. THIS SECTION TO BE COMPLETED BY FINANCIAL INSTITUTION

A. CHECKING ACCOUNT(s)

Account Holder	Account Number	Present Balance	Interest Rate, if any
Jeremy Smith	XXXXX012	$650.00	0

B. SAVINGS ACCOUNT(s)

Account Holder	Account Number	Present Balance	Annual Interest Rate	Withdrawal Penalty
Eric Smith	XXXXXX018	350.00	1.2%	0

Assets held by minor household members (other than foster children) count towards the net family assets and asset income is included in the total household income.

Checking Account
Actual Income: **$**
Cash Value: **$**

Savings Account
Actual Income: **$**
($350 x 1.2%)
Cash Value: **$**

Checking and savings accounts do not (should not) have a cost to convert; cash value will be the same as market value for these accounts.

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Learning Point: What is an Asset?

A family has a kayak, a checking account and a parcel of land. What, if any, of these items are included as an asset for the family?

a) Kayak and Land
b) Checking Account only
c) Checking Account and Land
d) Kayak, Checking Account and Land

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Learning Point: Common Assets; Checking & Savings Accounts

How many bank statements or account statements are needed to verify any assets using first-hand documentation?

a) Six, always six
b) The most current
c) Depends on the asset
d) Twelve

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Learning Point: Common Assets; Cash on Hand

If a family member discloses cash on their application, do we count it? If so, how do we verify the amount of cash on hand?

a) Cash on hand does not count, no need to verify
b) It counts, they have to bring it in and count it for us to verify amount
c) It counts, we take their word on the value
d) Depends on how much cash they disclose

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Learning Point: Common Assets; Minors

When a minor in the family has an asset, does it count towards the net family assets?

a) No, they are a minor, nothing counts
b) Yes, the asset and the income from the asset are included
c) Only when the asset is a checking account
d) Only when the minor is 13 years old or older

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Learning Point: Common Assets; Foster Persons

When a foster person in the household has an asset, does it count towards the net family assets?

a) No, income and assets from foster persons are excluded
b) Yes, the asset and the income from the asset are included
c) Only when the asset is a checking account
d) Only when the foster person is 13 years old or younger

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Assets: Peer-To-Peer Payment Applications

Venmo
Cash App
PayPal
Zelle

- If regular deposits are seen on these assets, the account holder should be asked to provide an explanation.
  - There are cases where these apps are used to sell homemade items and services. If the account is being used this way, the income must be included as self-employed income for the household.
- These sources of assets should be investigated. If there is a balance held in the account, it should be included in net family assets.
- The list above is not exhaustive, these are some of the commonly seen sources.

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Learning Point: Peer-To-Peer Payment Applications

Dawn babysits; she gets paid through Venmo	• The income she receives must be included • If her Venmo account holds a balance it is an asset • If the account does not have a balance, it is not included as an asset
Domanik makes and sells glitter tumblers, she is paid through PayPal	• The income from the sales is income for the household • If the PayPal account holds a balance of money, then it must be included as an asset • If the account does not have a balance, it is not included as an asset
Amy's roommates pay her back for the home expenses incurred through Zelle	• Zelle is a pass-thru account only, it cannot hold money, so this is not an asset • This is not income, it is a reimbursement • If Amy was receiving money for something like dog-sitting for her roommate, that would be income to include in the calculation of eligibility

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Assets: Inflationary Adjustments for 2025

Items Adjusted for Inflation Annually by HUD

	2023	2024	2025	2026	2027	2028	2029	2030
Student Income Allowance	$ 480.00	$ 480.00	$ 480.00					
Dependent Deduction	$ 480.00	$ 480.00	$ 480.00					
Adoption Assistance Allowance	$ 480.00	$ 480.00	$ 480.00					
Elderly Deduction	$ 400.00	$ 525.00	$ 525.00					
Asset Limitation Threshold	$ 5,000.00	$ 50,000.00	$ 51,600.00					
Threshold for Medical Deduction*	3%	10%	10%					
Cost of Living Allowance (COLA)	8.70%	3.20%	2.50%					
Passbook Savings Rate	0.06%	0.40%	0.45%					

* Does not include the hardship allowance applicable to some households

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Assets: Exclusions in HOTMA Do Not Impact Department Programs

HOTMA does have an asset exclusion for families that have assets totaling more than $100,000 and for families owning real estate.

These exclusions do not apply to most of the Department programs because most of the programs are covered under good cause protections and income is not a good cause. The exclusions are Public Housing and Section 8 requirements that would impact the Section 8 Housing Choice Voucher program at the Department.

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Assets: Tips to Minimize Challenges

- All verification forms completed in their entirety
- All household assets are certified and verified, if required
- Are all verifications/certifications current? (within 120 days)
- Forms are tested for integrity, clarifications present, etc.
- No correction fluid, white-out or evidence of tampering/perfecting
- Peer Review
- 3rd party or compliance file review

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THANK YOU!

Income Determination Module 5

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EQUAL HOUSING OPPORTUNITY

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