Income Determination Module 9

2025

1

Contact Information

Mailing Address:
TDHCA
PO Box 13941
Austin, TX 78711-3941

Physical Address:
TDHCA
221 East 11th Street
Austin, TX 78701

Website: https://www.tdhca.texas.gov

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

2

2

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”

3

3

Resources & Definitions

4

4

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://texas-sos.appianportalsgov.com/rules-and-meetings?chapter=10&interface=VIEW_TAC&part=1&subchapter=F&title=10

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5

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
- **HOME-American Rescue Plan**
  - https://www.tdhca.texas.gov/programs/home-american-rescue-plan

6

6

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)

7

7

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

8

8

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

9

9

The Application

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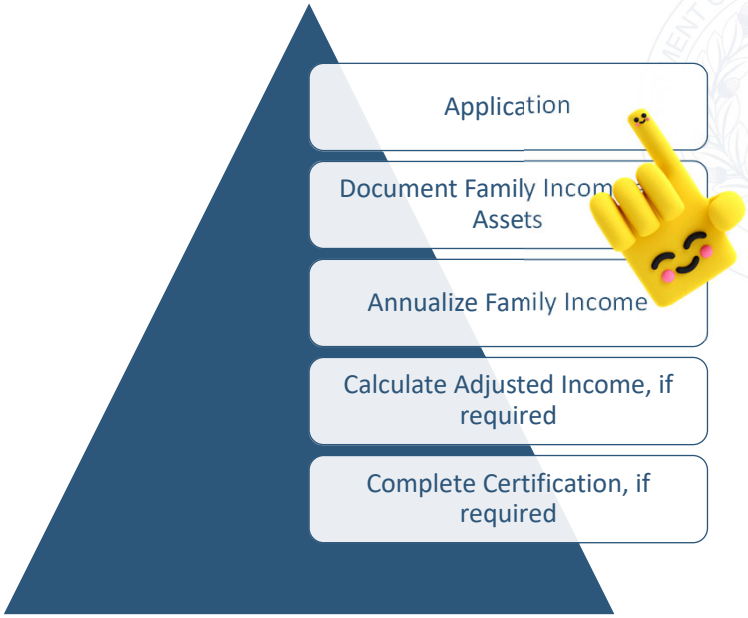
10

The Qualifying Process: The Application



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11

Adjusted Income: Screening for Deductions

The family must be screened for deductions.

A Supplement to the Intake Application must be used.

12

12

Adjusted Income: Deductions and Purpose

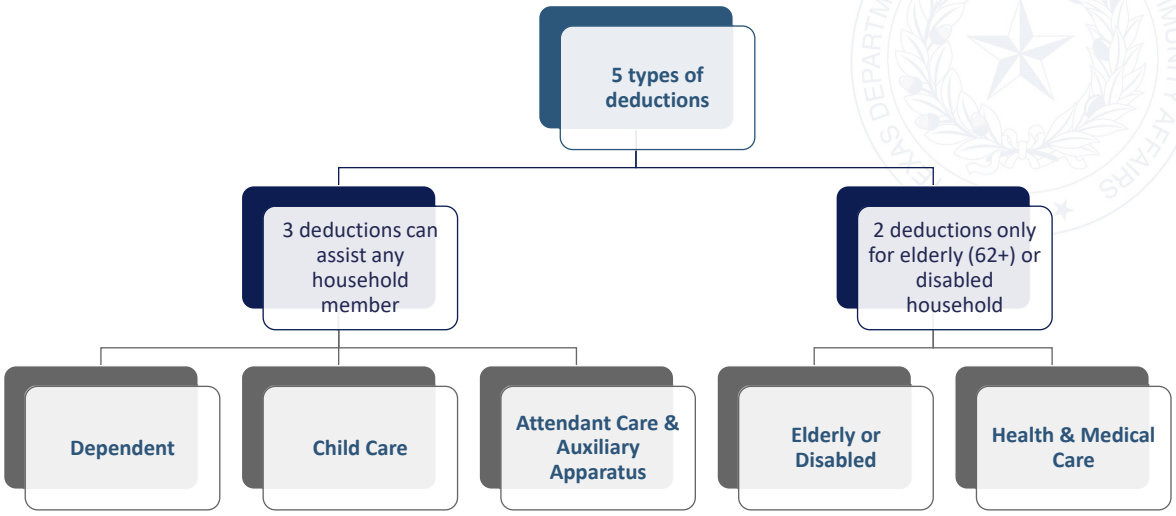
Annually, HUD will issue an Adjustment for Inflation to be used for deductions

- **Dependent Deduction** will correlate to the earned income counted for full-time students and adoption assistance; currently this is $480 per eligible dependent
- **Child Care Deduction** has excluded foster children with HOTMA unless the childcare is paid for with the household's income and not the foster care payments received from the welfare agency, this deduction is limited by the amount of childcare compared to the earned income of the applicable household member
- Reasonable **Attendant Care and Auxiliary Apparatus**; formerly Disabled Deduction – 10% test required and the deduction is only allowed when the expense enables a family member (including the disabled person) to work
- **Elderly/Disabled Deduction** is $525 and is only allowed once per qualifying household
- **Unreimbursed Health and Medical Care expenses** for elderly/disabled households – 10% test required if not met by previous deduction

13

13

Adjusted Income: Available Deductions



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14

Application: Household Composition

C. HOUSEHOLD COMPOSITION – List the Head of Household and all other persons who comprise the household

Full Name (exactly as on driver's license or other govt. document)	Relationship to Head of HH	Date of Birth	Gender	Student Status F/T=Full Time P/T=Part Time	Social Security No./ Alien Registration No.	Receiving income
1 William Russell	Head of Household	6/4/1996	■ Male ☐ Female	☐ F/T ☐ P/T ■ N/A	111-11-1111	■ Yes ☐ No
2 Mary Russell	■ Co-Head ■ Spouse ☐ Dependent ☐ Other Adult	8/4/1975	☐ Male ■ Female	☐ F/T ☐ P/T ■ N/A	222-22-2222	■ Yes ☐ No
3 Jerome Gonzales	☐ Co-Head ☐ Spouse ■ Dependent ☐ Other Adult	2/13/2016	■ Male ☐ Female	■ F/T ☐ P/T ☐ N/A	333-33-3333	☐ Yes ■ No
	☐ Co-Head					

D. HOUSEHOLD COMPOSITION INFORMATION

Were any of the household members a full-time student within the last calendar year? ☐ NO ■ YES, who? Jerome

Are any of the household members listed above foster persons? ■ NO ☐ YES, who? _____

Are any of the household members listed above a live-in attendant? ■ NO ☐ YES, who? _____

Are any household members temporarily absent from the home? ■ NO ☐ YES, who? _____

Indicate reason for temporary absence: _____

Do you anticipate any other members will join your household within the next 12 months? ■ NO ☐ YES

If yes, explain: _____

15

15

Application: Household Income

F. ANNUAL INCOME (List ALL income of adults and children in your household, except for the earned income from employment by persons under the age of 18)

Identify income from any of the following sources, including periodic payments:		Head of Household	Co-Head/ Spouse	Other Adult Member(s)	Child or Dependent or Other Adult Member	Total
Salary	■Yes ☐No		$43,225			
Overtime Pay	☐Yes ■No					
Commissions/Fees	☐Yes ■No					
Tips and Bonuses	☐Yes ■No					
Salary from 2nd job	☐Yes ■No					
Temporary Income	☐Yes ■No					
Income from Military	☐Yes ■No					
Interest/Dividends	☐Yes ■No					
Business Net Income	☐Yes ■No					
Net Rental Income	☐Yes ■No					
Social Security	■Yes ☐No	$2,400				
Supplemental Security Income	☐Yes ■No					
Pension	☐Yes ■No					
Retirement Funds	☐Yes ■No					
Familial Support	☐Yes ■No					
Unemployment Benefits	☐Yes ■No					
Alimony	☐Yes ■No					
Child Support (Circle Type) Anticipated, Voluntary, Court Ordered (regardless if pd.)	☐Yes ■No					
AFDC/TANF	☐Yes ■No					
Educational Scholarship/Grant	☐Yes ☒No					
Other: Explain: _____	☐Yes ☒No					
					Total:	$45,625

G. CURRENT EMPLOYMENT CONTACT INFORMATION – Household Member #1

Household Member's Name	Occupation	Work Phone
Mary Russell	Security	512-203-2520

Name and Street Address of Employer	City	State	Zip Code
160 Washington Street, Suite 300	Austin	TX	78256

Date Hired	Salary $	# of hours worked per week	Last Date of Employment
7/1/2024	19/hour ☒Hourly ☐Weekly ☐bi-weekly ☐twice a month ☐Monthly ☐Yearly ☐Other	40+	

2nd JOB EMPLOYMENT CONTACT INFORMATION – Household Member #1

Household Member's Name	Occupation	Work Phone

Name and Street Address of Employer	City	State	Zip Code

Date Hired	Salary $	# of hours worked per week	Last Date of Employment
	☐Hourly ☐Weekly ☐bi-weekly ☐twice a month ☐Monthly ☐Yearly ☐Other		

CURRENT EMPLOYMENT CONTACT INFORMATION – Household Member #2

Household Member's Name	Occupation	Work Phone
none, disabled, not employed		

Name and Street Address of Employer	City	State	Zip Code

Date Hired	Salary $	# of hours worked per week	Last Date of Employment
	☐Hourly ☐Weekly ☐bi-weekly ☐twice a month ☐Monthly ☐Yearly ☐Other		

16

16

Application: Household Assets

H. HOUSEHOLD ASSETS (Identify if anyone has any of the following types of assets, including dependents under the age of 18)

Identify All Asset Sources		Cash Value	Asset Income (Interest/Dividends)	Name of Financial Institution
Checking Account	■Yes ☐No	100	0	SSFCU
Additional Checking Account(s)	■Yes ☐No	20	0	SSFCU
Savings Account	■Yes ☐No	90	4.50	SSFCU
Additional Savings Account(s)	☐Yes ■No			
Pre-Paid Debit Cards	☐Yes ■No			
Stocks, Bonds, Mutual Funds*	☐Yes ■No			
Real Estate or Home	☐Yes ■No			
Trust Fund(s)	☐Yes ■No			
Mortgage Note Held	☐Yes ■No			
Whole Life Insurance Cash Value*	☐Yes ■No			
Real Estate/Land*	☐Yes ■No			
Peer to Peer (PayPal, Cash App and Venmo)	■Yes ☐No	0		
Non Necessary Personal Property: Such as campers, motorhomes, travel trailers, all-terrain vehicles (if not for day-to-day transportation), recreational boats, expensive jewelry without religious or cultural value, collectibles, equipment not generating business income and luxury items.	☐Yes ■ No			
Other: Chime Account	■Yes ☐No	0	0	Chime

*When listing the "cash value" of any asset with an asterisk, indicate the amount you would have if you were to convert it to cash. The amount would have deducted any penalties for withdrawal, amounts used to pay off a balance, or any fees which may be assessed for the conversion.

I. HOUSEHOLD ASSET INFORMATION

1. Has anyone in the household given away anything of value within the last two years? *(if a home was released due to foreclosure, bankruptcy or divorce, answer no)* ■ NO ☐ YES If yes, who? _____
   Provide explanation (including the type of asset, estimated value of asset, amount disposed for, and date of disposal): home foreclosed in 2024
2. Has anyone in the household owned a home in the last two years? ☐ NO ■ YES If yes, who? William and Mary
   Do they currently own it? ■ NO ☐ YES If No, when was it disposed of? foreclosed in 2024
   If Yes, Is it being rented? ☐ NO ☐ YES
   Is it sitting vacant? ☐ NO ☐ YES
   Is it in the process of being sold? ☐ NO ☐ YES
3. Has anyone in the household received a Tax Refund in the last 12 months? ☐ NO ■ YES If yes, what was the total amount of the tax refund $ $3,600

17

17

Application: HOME-ARP Qualifying Documents

HOME American Rescue Plan (HOME-ARP) Pre-Application

Applicant Name William and Mary Russell Date 7/28/2025 # of bedrooms requested 2

Number of adults in household: 2 Number of children in household: 1

Applicants should check all boxes that describe y

(J) I am homeless (living outside, in my car, an abandoned building, a camp, transitional housing, or in a temporary shelter). ☒

ii. ☒ I am residing in a publicly or privately operated emergency shelter or transitional housing facility designed to provide temporary living arrangements; or, in a hotel/motel currently paid for by charitable organizations or by federal, state or local government programs;

Required Documentation:

- ☐ Homeless Management Information System (HMIS) record;
- ☒ Referral by another housing or service provider stating that the household was in an emergency shelter or transitional housing; **or**
- ☐ Referral by another housing or service provider that the household stating the household is living in hotels and motels paid for by charitable organizations or by federal, state and local government programs; **and if hotel/motel:**

To Whom It May Concern:

Austin Life Shelter (ALS) provides temporary shelter, case management, and support services to assist homeless individuals and families in achieving self-sufficiency. ALS offers short-term emergency shelter, during which homeless men, women, and families with children can participate in either our Basic Needs Program (3 days to 2 weeks) or our Employment Program (12 weeks), depending on their assessment.

William and Mary Russell and Jerome have been staying at Austin Life Shelter since **April 28, 2025, till the present.** If you have any questions regarding their residency stay, please feel free to contact me at 512-548-9005 extension 33.

Sincerely,

Amy Hammond

Amy Hammond

18

18

Documenting Income and Assets

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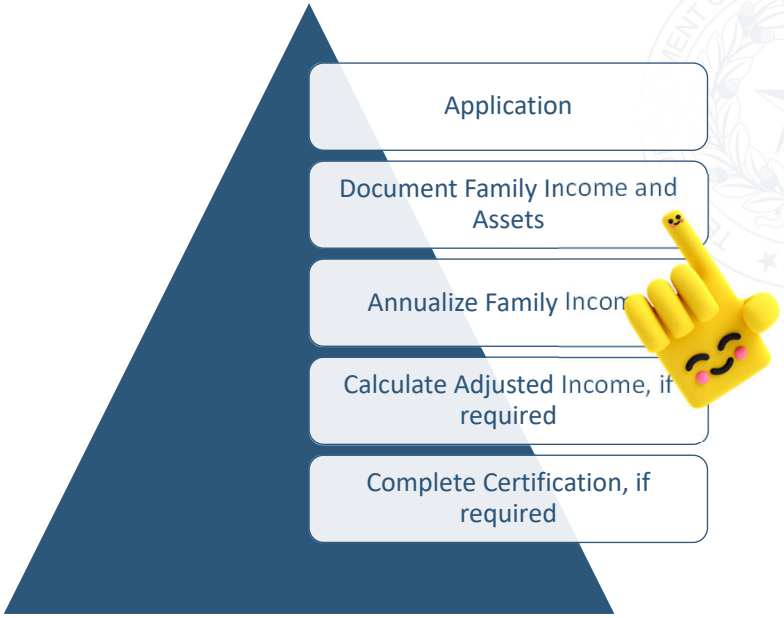
19

The Qualifying Process: Documenting Income and Assets



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20

Documenting Income: Supplemental Social Security

Information About Supplemental Security Income Payments

Beginning January 2025, the current
Supplemental Security Income payment is.....$ 200.00

This payment amount may change from month to month if income or living situation changes.

Supplemental Security Income Payments are paid the month they are due. (For example, Supplemental Security Income Payments for March are paid in March.)

Type of Supplemental Security Income Payment Information

You are entitled to monthly pa,ments as a disa a ' idual.

21

21

Documenting Income: Verification of Employment

II. THIS SECTION TO BE COMPLETED BY EMPLOYER

Employee Name: Mary Russell	Job Title: Security
Presently Employed: ☑ YES ☐ NO Date First Employed: 7/1/2024 Last Day of Employment: _____ or ☐ Not Applicable	
Current Wages/Salary: $ 19 (circle one) hourly / weekly / bi-weekly / semi-monthly / monthly / yearly / other: _____	
Average # of regular hours per week: 40	Year-to-date earnings: $ 11751.5
Overtime Rate: $ 28.50 per hour	Average # of overtime hours pe
Shift Differential Rate: $ n/a per hour	Average # of shift differential ho
Commissions, bonuses, tips, other: $ n/a (circle one) hourly / weekly / bi-weekly / semi-monthly	
List any anticipated change in the employee's rate of pay within the next 12 months: none	
If the employee's work is seasonal or sporadic, please indicate the layoff period(s): none	
Additional remark(s): Employee has passed 12-month date and will no longer be a	

III. EMPLOYER AUTHORIZED REPRESENTATIVE CERTIFICATION

I certify that the above information is true and correct,

Carolyn Metzger — Signature of Employers Authorized Representative; HR manager — Representative's Title; 7/29/2 — Date

Carolyn Metzger — Authorized Representative's Printed Name; 512-475-3802 — Phone #; none — Fax #; ca

160 Washington Street, Suite 300, Austin, Texas 78256 — Employer [Company] Name and Address

PENALTIES FOR MISUSING THIS CONTENT: Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felo

From: Carolyn Metzger
To: Cara Pollei
Subject: RE: HOTMA-EmployVer_signed.pdf
Date: Tuesday, July 29, 2025 12:17:51 PM
Attachments: HOTMA-EmployVer signed.pdf

Please see the attached form. Let me know if you need additional information.

Carolyn Metzger
HR Manager
Security Services 160 Washington Street, Suite 300| Austin, TX 78256
Office: 512.475-3802

From: Cara Pollei <Cara.Pollei@texasapartments.com>
Sent: Monday, July 28, 2025 12:12 PM
To: Carolyn Metzger <Carolyn.Metzger@ss.com> **Subject:** HOTMA-EmployVer_signed.pdf

Please complete the attached form at your earliest convenience. Your employee has applied at our property which is goverened by a program that requires we verify income. Please let me know if you have any questions or need additional information.

Many thanks,
Cara Pollei

22

22

Documenting Income: Employment Clarification

Person Contacted: Carolyn Metzger	**Title:** HR Manager
Company/Organization: Security Services	**Phone/Email:** 512-475-3802
Date Contacted: July 29, 2025	**Time Contacted:** 2:30 pm

II. VERIFIED INFORMATION

1. Reason for Clarification: _____

How is the employee paid? The verification indicates $19 but does not have a frequency selected.

2. Explanation for Clarification Given: _____

The employee is paid $19 per hour.

3. Additional remark(s): _____

No additional pay is received at this time, only hourly wage.

23

23

Documenting Assets: Checking and Savings Accounts

II. THIS SECTION TO BE COMPLETED BY FINANCIAL INSTITUTION

A. CHECKING ACCOUNT(s)

Account Holder	Account Number	Present Balance	Interest Rate, if any
William Russell	xxx098	100	0
Mary Russell	xxx0354	20	0

B. SAVINGS ACCOUNT(s)

Account Holder	Account Number	Present Balance	Annual Interest Rate	Withdrawal Penalty
William & Mary Russell	xxx456	90	2%	0

24

24

Documenting Assets: Cash App

July 2025

$0.00
June 29th
BALANCE

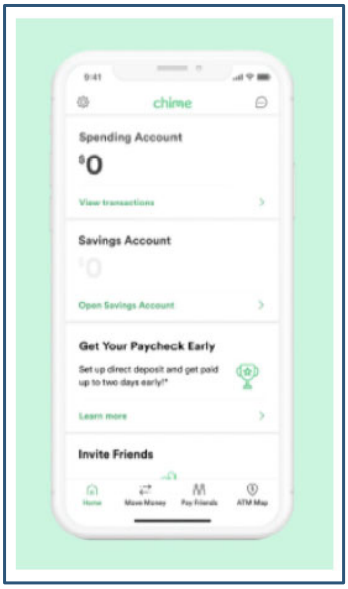
$0.00
July 28TH BALANCE

Mary Russell account holder

25

25

Documenting Assets: Chime Account



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26

Annualizing Income

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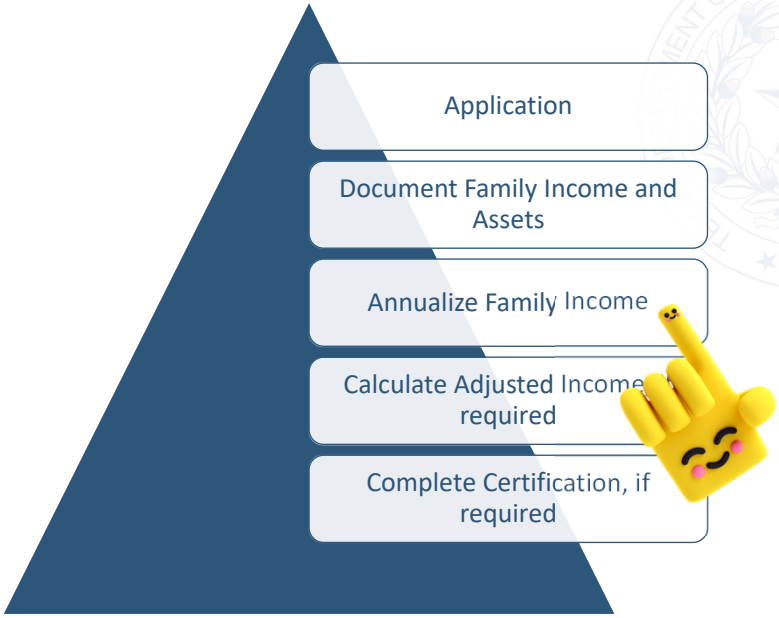
27

The Qualifying Process: Annualizing Income



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28

Annualizing Income: Household Earned and Unearned Income

William's Social Security: $200 x 12 months = **$2,400 annually**

Mary's Employment: $19/hour x 40 hours = $760/week x 52 weeks = **$39,520 annually**

$2,400 + $39,520 = $41,920

29

29

Annualizing Income: Income from Assets

Non-necessary Personal Property:

William Checking Account: $100 x 0% interest = **$0 actual income**
William/Mary Savings Account: $90 x 2% interest = **$1.80 actual income**
Mary Checking Account: $20 x 0% interest = **$0 actual income**
Mary Cash App Account: $0 x 0% interest = **$0 actual income**
Mary Chime Account: $0 x 0% interest = **$0 actual income**

Total Non-Necessary Personal Property: $210

Actual Income from Assets: $1.80

No Real Property

Imputed Income is not required since net family assets are less than threshold.

While the tax return was disclosed, the net family assets are $0 and there is no need to deduct it because the end result will be the same.

30

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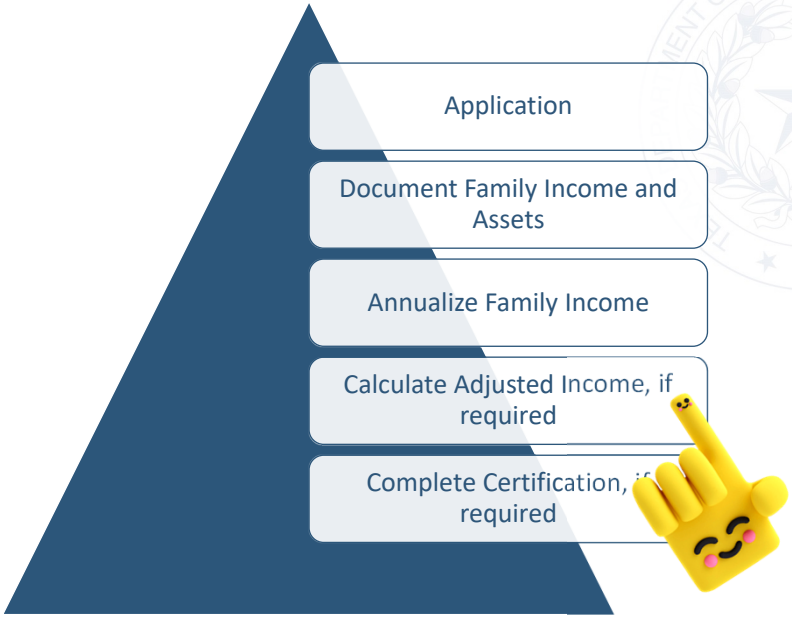
Calculate Adjusted Income

31

The Qualifying Process: Documenting Income and Assets



32

Adjusted Income: Dependent Deduction

- Dependent Deduction of $480 per eligible dependent in the family
- Dependents are defined as family members who are not head, spouse, co-head and are:
  - Under 18 years of age
  - A person with disabilities at any age
  - A full-time student, 18 years of age or older
    - Full-time student status is defined by the institution of higher education, with a degree or certificate program, where the student is enrolled
  - *To qualify for the deduction, verification of disability or student status is required*
- A foster child, foster adult, unborn child, a child that has not joined the household yet, or dependent of a live-in aide will never qualify for the deduction
- A family does not have to have legal custody of a dependent to receive the deduction; however, the dependent must live in the unit
- A family may not receive a double dependent deduction for one member
  - For example, a 19-year-old, disabled, full-time student would not be eligible for two dependent deductions

33

33

Documenting Income: Dependent Deduction

A. DEPENDENT DEDUCTION (Some household members cannot qualify for this deduction regardless of age, disability, or student status: Head of household, spouse, co-head, a foster child, an unborn child, a child who has not yet joined the family, or a live-in aide.)				
Is the household comprised of a family member under the age of 18?	☐ NO	■ YES, who?	Jerome Gonzales	
Is the household comprised of a family member with disabilities?	☐ NO	■ YES, who?	William Russell (29 years old)	
Is the household comprised of a family member who is a full-time student?	☐ NO	■ YES, who?	Jerome Gonzales (9 years old)	

Is the Russell household eligible for a dependent deduction?

Yes

How much is the household deduction?

The household is eligible for a $480 deduction for the one dependent

34

34

Adjusted Income: Childcare Deduction

- The Childcare Deduction is available for anticipated expenses to any family paying for childcare. The deduction is available to all children under the age of 13 living in the unit when childcare enables a family member to…
  - Work
  - Look for work
  - Go to school (academic or vocational)

Foster children are eligible for this deduction if the childcare expense is paid by the family income and not a welfare stipend.

- The family has to evidence that there is no adult family member capable of providing care during the hours care is needed
- Childcare expenses cannot be reimbursed by an outside agency or individual
- Childcare expenses deducted must be reasonable

35

35

Adjusted Income: Childcare Deduction continued

- Childcare expenses are not paid to someone living in the unit
- Childcare expenses cannot exceed the work income generated by the family member during the period in which care is provided
- The childcare expenses are not restricted when seeking employment or attending school
- To document anticipated child care expenses, the family must:
  - Identify the child(ren) who will be cared for
  - Identify the family member who is enabled to work, look for work, and/or go to school because of the childcare
  - Evidence that no other adult household member in the unit is available to care for the child
  - Identify the childcare provider
  - Provide documentation of cost

36

36

Documenting Income: Childcare Deduction

B. CHILD CARE EXPENSES DEDUCTION

Is the household paying for the care of children age 12 or under? ☐ NO ■ YES, for whom? Jerome Gonzales

If YES, Please answer the following questions:

1. Does the child care enable an adult household member to (check) ■ Be gainfully employed **OR** ☐ Further his/her education (academic or vocational)? ☐ NO ■ YES, who? Mary Russell
2. Is there an adult household member capable of providing care during the hours care is needed? ■ NO ☐ YES
3. Is the child care provided by a member who comprises the household? ■ NO ☐ YES, who? _____
4. Is the household reimbursed by an outside Agency or Individual? ■ NO ☐ YES, who? _____

Gonzales, Jerome Trail Blazer (after school) Beginning Statement Balance: 0.00

User	Post Date	Description	Comment	Charge	Credit	Balance
JNW	6/1/2025	M(school aged)Tuition Pmt		600.00		600.00
JNW	6/2/2025	Tuition Express			600.00	0.00
			Total	600.00	600.00	0.00

Stepping Stone School Statement for June 2025
Dear valued parents,
Tuition is due as of June 1, 2025. If a balance remains, please provide a payment today to avoid a late fee. A $30 late fee will be applied to balances at closing on June 3rd.

Is the Russell household eligible for a childcare deduction?

Yes, we know that Jerome goes to childcare from 3 to 6 pm each day and the cost is $15 per hour.

37

37

Documenting Income: Childcare Deduction continued

How much is the childcare deduction for the Russell household?

- Step 1: Determine Mary's annual income, we have already done this step:

$39,520

- Step 2: Determine what Mary's earned income is while her child attends childcare:

$19 an hour × 5 days a week × 3 hours a day × 52 weeks a year = $14,820 earned income

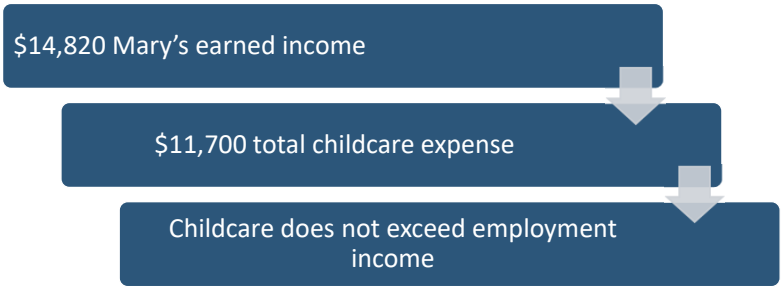
38

38

Learning Point 2: Childcare Deduction completed

- Step 3: Determine the childcare expenses for Jerome:

- Step 4: Determine that childcare expenses do not exceed Mary's earned income generated during the period in which care is provided:



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39

Adjusted Income: Attendant Care & Auxiliary Apparatus Expense Deduction

- Attendant Care & Auxiliary Apparatus Expense Deduction is available for unreimbursed, anticipated costs for attendant care and/or an auxiliary apparatus
- The care or apparatus enables a family member, 18 years or older, including the disabled member to work
- The amount claimed is the difference in total expenses for attendant care and/or auxiliary apparatus that exceeds 10% of annual income and earned income of the adult family member enabled to work by the attendant care or auxiliary apparatus
  - **Families that were receiving the deduction in 2023 can utilize a hardship implementation; 5% in 2024, 7.5% in 2025 and the full 10% in 2026**
- If the disability assistance enables more than one family member to be employed, the allowance cannot exceed the combined income of both

40

40

Attendant Care & Auxiliary Apparatus Expense Deduction Items

- Auxiliary apparatus includes items that are directly related to permitting the disabled person or other family member to work
- Includes items such as, but not limited to, the following:
  - Wheelchairs, ramps, adaptations to vehicles (one-time allowances);
  - Cost of maintenance and upkeep of an auxiliary apparatus (i.e. veterinarian and food costs of service animal)
  - Attendant care includes, but is not limited to, reasonable expenses for home medical care, nursing services, interpreters for hearing impaired persons and readers for persons with visual impairments

41

41

Documenting Income: Attendant Care Deduction

C. ATTENDANT CARE AND AUXILIARY APPARATUS EXPENSE DEDUCTION

Is the household paying for attendant care and/or an auxiliary apparatus? ☐ NO ■ YES, for whom? William Russell

If YES, Please answer the following questions:

1. Does the care and/or use of the auxiliary apparatus enable an adult household member to work? ☐ NO ■ YES, who? Mary
2. Is the household reimbursed by an Agency and/or Individual for these costs? ■ NO ☐ YES, who? _____
3. Identify the type of care and/or apparatus paid for: In-home day care for William while Mary works outside of the home

Is the Russell household eligible for a Attendant Care & Auxiliary Apparatus Expense Deduction?

Yes, Mary is able to work while someone provides care to William. The caregiver is paid.

Dear William and Mary Russell:

We will be honored to continue serving your family as a medical aide service for William Russell from the hours of 12 pm until 6 pm each weekday while Mary works outside the home. It is our understanding that the remainder of the working hours are conducted from the home office and Mary is able to offer support, if needed, for William during this time. Should something change in this schedule please let us know.

The expense for the care will continue to be $450 per week and that amount will be due every other week as scheduled with the business office.

Please feel free to reach out to our business office if you have any further documentation needs.

Sincerely,

Michelle Crawford

Michelle Crawford, Care Coordinator

42

42

Documenting Income: Attendant Care Deduction

- Step 1: Determine 10% of the household's income:

- Step 2: Determine William's eligible disability deduction:

- Step 3: Ensure the allowable deduction does not exceed the annual income:

$19,207.82 deduction < $41,921.80 annual income; so the deduction is allowed.

43

43

Adjusted Income: Elderly or Disabled Deduction

- Elderly or Disabled Deduction is a one-time $525 deduction
  - HUD has indicated that this amount may be adjusted annually
- For 811 PRA the deduction amount is $400 until HOTMA is implemented (likely, January 2026)
- The deduction is available to a family if the head, spouse, or co-head (or the sole member) is at least 62 years of age or older, or is a person with disabilities
- A household is entitled to only one deduction regardless of how many family members qualify as elderly or disabled

44

44

Documenting Assets: Elderly or Disabled Family Deduction

D. ELDERLY OR DISABLED FAMILY DEDUCTION

Is the head of household, spouse, or co-head at least 62 years of age or older? ■ NO ☐ YES, who? _____

Is the head of household, spouse, or co-head a person with a disability? ☐ NO ■ YES, who? William Russell

Information About Supplemental Security Income Payments

Yes, recipients of Supplemental Security Income (SSI) are, by definition, disabled. SSI is a federal program that provides monthly payments to individuals with disabilities, blindness, or those aged 65 or older, who have limited income and resources. To qualify for SSI, an individual must have a physical or mental impairment that prevents them from working and is expected to last for at least a year or result in death.

You are not being asked to disclose any details or specifics regarding the type or nature of the special need, only to disclose that you, or someone in your household, meets one of the categories above.

Based on the above, do you or anyone in your household have a "Special Need"? YES X NO ____

I do not wish to furnish information regarding special needs (Initials) _____

William, HOH, is a person with a disability. Does this mean that the household is eligible for the Elderly/Disabled Deduction? Yes

How much is the deduction? $525

45

45

Adjusted Income: Health & Medical Care Expense Deduction

- Health & Medical Care Expense Deduction is the portion of total medical expenses that exceeds 10% of annual income and is only permitted for households in which the head, spouse, or co-head is elderly or disabled
  - **Families that received the deduction in 2023 may utilize a hardship implementation; 5% in 2024, 7.5% in 2025 and the full 10% in 2026**
- If the household is eligible, include the unreimbursed anticipated medical expenses of ALL family members
  - Including non-elderly and dependent children
    - Foster persons and Live-in Aides are not eligible for this deduction
  - Medical expenses include medically necessary apparatus, services and medications
- Include ongoing expenses paid in the past 12 months to project the upcoming year's expenses
- Ongoing payments toward existing, unpaid medical bills are eligible for inclusion for the upcoming year
  - NOTE: Must only include the amount of payments to be made, not the total balance due

46

46

Adjusted Income: Health & Medical Care Expense Deduction Continued

- Examples of eligible medical expenses include, but are not limited to:
  - Services of doctors and healthcare professionals
  - Services of healthcare facilities
  - Medical insurance premiums or cost of an HMO
  - Prescription/Nonprescription medicines that have been prescribed by a physician
  - Dental expenses
  - Eyeglasses
  - Hearing aids

47

47

Documenting Assets: Health and Medical Care Expense Deduction

E. HEALTH AND MEDICAL CARE EXPENSE DEDUCTION (If your household qualifies for the deduction listed in "D" then medical expenses for ALL household members may be eligible for deduction)

Identify any of the following medical expenses?	Estimated Annual Costs	Can Support for expenses be provided?
Medicare ■ NO ☐ YES		■ NO ☐ YES
Doctor Co-Pays ☐ NO ■ YES	600.00	☐ NO ■ YES
Prescription Costs ☐ NO ■ YES	1,650.00	☐ NO ■ YES
Medical Deduction Costs ■ NO ☐ YES		■ NO ☐ YES
Over the Counter Costs ■ NO ☐ YES		■ NO ☐ YES
Other: ■ NO ☐ YES		■ NO ☐ YES
Is the household reimbursed by an Agency and/or Individ		
Did the household have any one-time non-recurring medi		

Dear William Russell:

You requested a statement of the amount of co-pays and expenses incurred as a result of visits to Austin Regional Clinic locations in the calendar year 2024. Based on our records your 2024 expenses were $600.00 for co-pays, lab fees and expenses that were not covered by insurance for your family.

Please feel free to reach out to our business office if you have any further documentation needs.

Sincerely,

John Williams

John Williams, Office Manager

Dear Mary Russell:

You requested a statement of the expenses incurred thus far in 2025 as a result of prescriptions filled through Walgreens locations in the calendar year 2025. Based on our records your 2025 expenses are $825.00 for all prescriptions that were processed by Walgreens pharmacists through the year thus far. This is in line with the expenses from 2024 and we would anticipate your total medical costs at the end of 2025 will be approximately $1,650; as it was in 2024.

Please feel free to reach out to our business office if you have any further documentation needs.

Sincerely,

Carrie Williams

Carrie Williams, Office Manager

Is the household eligible to have the prescriptions and co-pays deducted in their adjusted income?

Yes!

Prescriptions: **$1,650** + Doctor Visits: **$600**

= $2,250 total deduction

48

48

Adjusted Income and Calculation of Tenant Rent

Household Deductions:

Dependent Deduction = **$480 for Jerome**

Childcare Expense Deduction = **$11,700 for Jerome's care while Mary works since William is unable to care for Jerome**

Attendant Care and Auxiliary Apparatus Expense Deduction** = **$23,400 total cost – 10% of HH income $4,192.18 = $19,207.82 total deduction**

Elderly or Disabled Family Deduction = **$525 for the household, HOH William is a person with a disability**

Health and Medical Care Expense Deduction** = **$2,250 Deduction ($600 doctor's visits + $1,650 prescriptions)**

Household income before deductions $41,921.80

Total Amount of Deductions for the Household: $34,162.82

Household Adjusted Income = $7,758.98

Adjusted income ÷ 12 Months = Monthly Adjusted Income x 30% = Monthly Gross Rent, Utility Allowance must be deducted

$7,758.98 adjusted income ÷ 12 months = $646.58 Monthly Adjusted Income x 30% = $193.97 monthly rent based on adjusted income

$193.97 Gross Rent - $52 Utility Allowance = $141.97 ($141 flat) rent charged to the Russell Household

49

49

Adjusted Income: Medical Expense Deductions**

If the family is eligible for both the Attendant Care & Auxiliary Apparatus deduction and the Health & Medical Care deduction, the following must be considered:

- Ensure that the family's 10% of income test is applied only one time
- The Attendant Care & Auxiliary Apparatus expense deduction must be calculated before the Health & Medical Care Expense deduction is determined
- The Attendant Care & Auxiliary Apparatus expense deduction is limited by the amount earned by the person enabled to work
- Expenses cannot be included in both categories (no double-dipping)

50

50

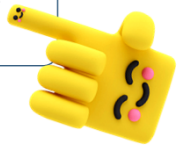
Completing the Certification

51

51

The Qualifying Process: Completing the Certification

- Application
- Document Family Income and Assets
- Annualize Family Income
- Calculate Adjusted Income, if required
- Complete Certification, if required



52

52

Completing the Income Certification

PART II. HOUSEHOLD COMPOSITION

HH Mbr #	Last Name	First Name & Middle Initial	Relationship to Head of Household	Date of Birth (MM/DD/YYYY)	Student Status (circle one)	Last 4 digits of Social Security N
1	Russell	William	HEAD	06/04/1996	FT / PT / NA	1
2	Russell	Mary	Spouse/Co-Head	08/04/1976	FT / PT / NA	2
3	Gonzales	Jerome	Dependent	02/13/2016	FT / PT / NA	3
4					FT / PT / NA	
5					FT / PT / NA	

PART III. GROSS ANNUAL INCOME (USE ANNUAL AMOUNTS)

HH Mbr #	(A) Employment/Wages	(B) Soc. Security/Pensions	(C) Public Assistance	(D) Other Incom
1		$2,400		
2	$39,520			
TOTALS	$ 39,520	$ 2,400	$	$

Add totals from (A) through (D) above — TOTAL INCOME (E): $ 41,920

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 Inco Asse
1	Checking	C	N	100	A	0.00
1	Savings Account	C	N	90	A	1.80
2	Checking	C	N	20	A	0.00
2	Chime Account	C	N	0	A	0.00
2	Cash App	C	N	0	A	0.00

(L) TOTAL NON-NECESSARY PERSONAL PROPERTY: $ 210 — (M) Total Actual Income: $ 1.80

(N) TOTAL NET FAMILY ASSETS: $ 0 — (O) Total Imputed Income: $ 0

(P) TOTAL INCOME FROM ASSETS [(M) + (O)]: $ 1.80

(Q) Total Annual Household Income from all Sources [Add (E) + (P)]: $ 41,921.80

PART V. HOUSEHOLD SET ASIDE DESIGNATION

Income: ☐15% ☐20% ☐30% ☐40% ☑50% ☐60% ☐70% ☐80% ☐O/I

Rent: ☐20% ☐30% ☐40% ☑50% ☐60% ☐70% ☐80%

PART VI. DETERMINATION OF PROGRAM ELIGIBILITY

TOTAL ANNUAL HOUSEHOLD INCOME FROM ALL SOURCES: From item (Q) on page 1: $ 41,921.80

Current Income Limit per Family Size: $ 60,250

Mark the program(s) and applicable program designation that this household satisfies of the property's occupancy requirements:

If the owner has elected the Average Income minimum set aside under §42(g), this unit is designated by the taxpayer as (please see instructions):

☐ HTC or Exchange	☐ 20%	☐ 30%	☐ 40%	☐ 50%	☐ 60%	☐ 70%	☐ 80%	☐ OI***	
☐ TCAP		☐ 30%	☐ 40%	☐ 50%	☐ 60%		☐ OI***		
☐ HOME/TCAP RF		☐ 30%	☐ 40%	☑ 50%	☐ 60%		☐ 80%	☐ OI***	
☐ BOND		☐ 30%	☐ 50%	☐ 60%	☐ 80%		☐ OI***	☐ ET	
☐ THTF		☐ ELI	☐ VLI	☐ LI	☐ OI***				
☐ NSP		☐ 30%	☐ 40%	☐ 50%	☐ 60%		☐ 80%	☐ 120%	
☐ NHTF	☐ 15%	☐ 30%	☐ OI***						
☑ Other	HOME-ARP								

*** *Upon Recertification household was determined to be over income (OI) according to eligibility requirements of the programs marked above.*

PART VII. RENT

Tenant Paid Rent:	$ 242.60	Unit Meets Rent Restriction at:
Utility Allowance:	$ 52	☐15% ☐20% ☐30% ☐40%
Rental Assistance:	$ 0	☑50% ☐60% ☐70% ☐80%
Other Non-Optional Charges and Mandatory Fees:	$ 0	☐ ____ % (other)
Gross Rent For Unit (See Instructions):	$ 294.60	Applicable Rent Limit: $ 1,506

Is the source of the Rental Assistance Federal? ☐ Yes ☑ No *If yes, identify the type of Federal Rental Assistance:*

53

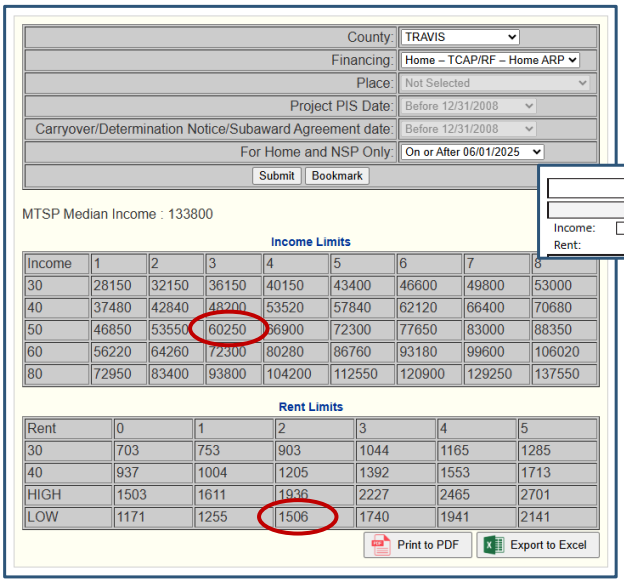
53

Does the Household Qualify?

54

54

The Qualifying Process: Is this a Qualified Household?



County:	TRAVIS
Financing:	Home – TCAP/RF – Home ARP
Place:	Not Selected
Project PIS Date:	Before 12/31/2008
Carryover/Determination Notice/Subaward Agreement date:	Before 12/31/2008
For Home and NSP Only:	On or After 06/01/2025

Submit | Bookmark

MTSP Median Income : 133800

Income Limits

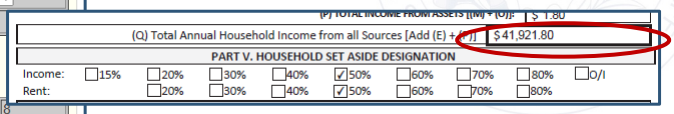
Income	1	2	3	4	5	6	7	8
30	28150	32150	36150	40150	43400	46600	49800	53000
40	37480	42840	48200	53520	57840	62120	66400	70680
50	46850	53550	60250	66900	72300	77650	83000	88350
60	56220	64260	72300	80280	86760	93180	99600	106020
80	72950	83400	93800	104200	112550	120900	129250	137550

Rent Limits

Rent	0	1	2	3	4	5
30	703	753	903	1044	1165	1285
40	937	1004	1205	1392	1553	1713
HIGH	1503	1611	1936	2227	2465	2701
LOW	1171	1255	1506	1740	1941	2141

Print to PDF | Export to Excel

YES!



(Q) Total Annual Household Income from all Sources [Add (E) + (P)] $41,921.80

PART V. HOUSEHOLD SET ASIDE DESIGNATION

Income: ☐15% ☐20% ☐30% ☐40% ☑50% ☐60% ☐70% ☐80% ☐O/I

Rent: ☐20% ☐30% ☐40% ☑50% ☐60% ☐70% ☐80%

The Notice to the Residents was posted on April 1, 2
Please note that a resident of the development c
information during the notification period. If the infor
the owner and request additional documentation. ***The***
due after June 30, 2025:

	Energy Consumption Model
1 Bedroom	$48.00
2 Bedroom	$52.00
3 Bedroom	$71.00

55

55

Notes on Eligibility

- This presentation qualified a household as a Qualified Population (QP) household in Austin, Texas under the HOME-ARP program
  - We are assuming this property requires households to be QP and have incomes less than 50% with rents based on 30% of the household's adjusted income
- Different programs have different eligibility requirements, in some cases
  - Calculating income was discussed in sessions 1 – 7 of the 2025 Lunch and Learn Series
  - The 8th session of the series calculated household income and assets for a Household without adjusted income
  - This webinar is intended as a resource after weeks 1-8 have been reviewed and understood, this should not be the first webinar reviewed
- Different programs have different forms; the forms used in this presentation are for the Department's Multifamily programs; specifically the HOME-ARP program
  - Some programs have required forms in addition to what was seen here
- When qualifying households for programs other than those monitored by the Department, please check with your program administrator to ensure compliance

56

56

Adjusted Income: Deductions Cheat Sheet

Dependent: $480 per eligible dependent
- Ages vary, Student Status & Disability

Child Care: Earned Income > childcare expenses
Count Total Expenses for Deduction

Attendant Care & Auxiliary Apparatus : 12 months of expenses – 10% = Deduction for eligible families

Elderly (62+)/ Disabled:
$525 per eligible family

Health & Medical Care :
Annual Income x 10% (if not satisfied by A&A) = Disallowed for deduction Expenses – 10% = Total Deduction

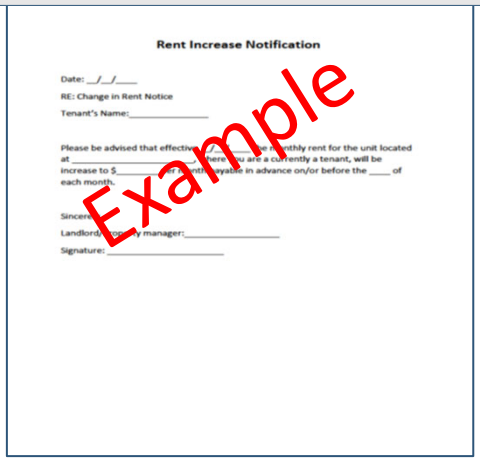
Care/Apparatus & Health/Medical:
If qualified for both…
Care/Apparatus expenses – 10% = Deduction
Care/Apparatus deduction + Health/Medical expenses = Total Household Deduction

57

57

Adjusted Income: Send Notification of Rent Increase

A written notice is required to implement a rent increase. Program notice requirements must be adhered to.


Rent Increase Notification

Date: __/__/____

RE: Change in Rent Notice

Tenant's Name:_____

Please be advised that effective __/__/____ the monthly rent for the unit located at _____ where you are a currently a tenant, will be increase to $_____ per month payable in advance on/or before the ____ of each month.

Sincerely,

Landlord/property manager:_____

Signature: _____

Example

58

58

Qualifying Households: Tips to Minimize Challenges

- All certifications and verification forms completed in their entirety
- All household income and 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

59

59

Inflationary Adjustments

HUD has announced the inflationary changes that will be in effect for certifications with 2025 effective dates, the amounts can be found online at https://www.huduser.gov/portal/datasets/inflationary-adjustments-notifications.html#year2025.

While deduction amounts did not change, the asset threshold and passbook savings rate have changed.

60

60

Deductions: 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

61

61

THANK YOU!

Income Determination Module 9

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62