

# INSTRUCTIONS FOR COMPLETING INCOME CERTIFICATION

*This form is to be completed by the owner or an authorized representative.*

## Part I - Development Data

Check the appropriate box for Initial Certification (move-in), Recertification (annual recertification), or Other. If a household transfers from a unit, enter the unit number the household transferred from in the area below the Move-in Date.

Move-in Date

Enter the date the tenant has or will take occupancy of the unit.

Effective Date

For initial move-ins and certification, the effective date is the date of move-in.

For annual recertification, the effective date should be the anniversary of the original move-in date. The tenant must execute the certification no more than 120 days prior to the effective date. If the certification is performed late, the effective date is the date the tenant executes the income certification. **NOTE: Verifications must be valid (ie: Dated no more than 120 days prior to the effective date of the certification).**

Property Name

Enter the name of the development.

County

Enter the county (or equivalent) in which the building is located.

BIN #

Enter the Building Identification Number (BIN) assigned to the building (for Housing Tax Credit (HTC), Exchange and TCAP programs--from IRS Form 8609).

TDHCA #

Enter the assigned Program Number.

Unit Number

Enter the unit number.

# Bedrooms

Enter the number of bedrooms in the unit.

## Part II - Household Composition

List all occupants of the unit. State each household member's relationship to the head of household by using one of the following coded definitions:

H	-	Head of Household	S	-	Spouse
A	-	Adult co-tenant	O	-	Other family member
C	-	Child	F	-	Foster child(ren)/adult(s)
L	-	Live-in caretaker	N	-	None of the above

Enter the date of birth, student status, and last 4 digits of the Social Security number/Alien Registration number for each occupant. Student Status as determined by the academic institution.

*If there are more than 7 occupants, use an additional sheet of paper to list the remaining household members and attach it to the certification.*

## Part III - Annual Income

**See HUD Handbook 4350.3 for complete instructions on verifying and calculating income, including acceptable forms of verification.**

From the third party verification forms or first-hand documentation obtained from each income source, enter the gross amount anticipated to be received for the twelve months from the effective date of the (re)certification. List the respective household member number from Part II and complete a separate line for each income-earning member.

Column (A)

Enter the annual amount of wages, salaries, tips, commissions, bonuses, and other income from employment, distributed profits and/or net income from a business.

Column (B)

Enter the annual amount of Social Security, Supplemental Security Income, pensions, military retirement, etc.

Column (C)

Enter the annual amount of income received from public assistance (i.e., TANF, general assistance, etc.).

- Column (D) Enter the annual amount of alimony, child support, unemployment benefits, or any other income regularly received by the household.
- Row (E) Add the totals from columns (A) through (D), above. Enter this amount.

#### Part IV - Income from Assets

See HUD Handbook 4350.3 for complete instructions on verifying and calculating income from assets, including acceptable forms of verification.

From the third party verification forms or first-hand documentation obtained from each asset source, list the gross amount anticipated to be received during the twelve months from the effective date of the (re)certification. List the respective household member number from Part II and complete a separate line for each member.

- Column (F) List the type of asset (i.e., checking account, savings account, etc.).
- Column (G) Enter C (for current, if the family currently owns or holds the asset), or I (for imputed, if the family has disposed of the asset for less than fair market value within two years of the effective date of (re)certification).
- Column (H) Enter the cash value of the respective asset.
- Column (I) Enter the anticipated annual income from the asset (i.e., savings account balance multiplied by the annual interest rate).
- TOTALS Add the total of Column (H) and Column (I), respectively.

If the total in Column (H) is greater than \$5,000, you must do an imputed calculation of asset income. Enter the Total Cash Value of Assets, multiply by 2% and enter the amount in (J), Imputed Income.

- Row (K) Enter the greater of the total in Column (I) or (J).
- Row (L) Total Annual Household Income From all Sources. Add (E) and (K) and enter the total.

#### HOUSEHOLD CERTIFICATION AND SIGNATURES

After all verifications of income and/or assets have been received and calculated, each household member age 18 or older must sign and date the Income Certification. For move-in, it is recommended that the Income Certification be signed no earlier than 120 days prior to the effective date of the certification.

#### Part V – Determination of Income Eligibility

- Total Annual Household Income from all Sources Enter the number from item (L).
- Program Type Mark the program(s) for which this household's unit will be counted toward the property's occupancy requirements. If the property does not participate in the affordable housing program, leave those sections blank.
- Household Meets Income Restriction at: Check the appropriate box for the income restriction that the household meets according to what is required by the set-aside(s) for the project.

#### Part VI - Rent

- Tenant Paid Rent Enter the amount the tenant pays toward rent as listed on the lease contract (not including rent assistance payments such as Section 8).
- Utility Allowance Enter the utility allowance for utilities paid by the tenant to the utility provider. If the owner pays all utilities, enter zero.
- Rent Assistance Enter the amount of monthly rental assistance payments paid directly to the development from a welfare agency, if any.
- Other non-optional charges Enter the amount of non-optional charges, such as applicable utilities paid to/through the owner of the building based on RUBS or an allocation formula,

mandatory garage/carport rent, charges for services provided by the development, etc.

Gross Rent for Unit

For **HOME, NSP and CDBG**, enter the total of the Tenant Paid Rent, plus Utility Allowance, plus Rent Assistance and other non-optional charges. (A+B+C+D=E)  
For **HTC, TCAP, Exchange, HTF and Tax-Exempt Bond**, enter the total of Tenant Paid Rent plus Utility Allowance and other non-optional charges/mandatory fees. (A+B+D=E) If a property is layered an area has been provided to report the different gross and maximum rents. ( / )

Program Type

Mark the program(s) for which this household's unit will be counted toward the property's occupancy requirements. If the property does not participate in the affordable housing program, leave those sections blank.

Unit Meets Rent Restriction at:

Check the appropriate rent restriction that the unit meets according to what is required by the set-aside(s) for the project.

### Part VII - Student Status – HTC, TCAP, Exchange and Tax Exempt Bond Programs Only

If all household members are full time\* students, check "yes". If at least one household member is not a full time student, check "no".

If "yes" is checked, the appropriate exemption must be listed in the box to the right. If none of the exemptions apply, the household is ineligible to rent the unit.

*A full time student is defined as one who attends an educational institution full time for any part of 5 months in a calendar year (the five calendar months need not be consecutive). \*Full time is determined by the school the student attends.*

### SIGNATURE OF OWNER/REPRESENTATIVE

It is the responsibility of the owner or the owner's representative to sign and date this document immediately following execution by the resident(s).

The responsibility of documenting and determining eligibility (including completing and signing the Income Certification form) and ensuring such documentation is kept in the tenant file is extremely important and should be conducted by someone well trained in program compliance.

*These instructions should not be considered a complete guide on program compliance. The responsibility for compliance with federal and state program regulations lies with the owner of the property.*