INSTRUCTIONS FOR COMPLETING
INCOME CERTIFICATION

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

Income Certification

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

Part I - Development Data

Effective Date:	In general, for initial certifications, the effective date is the date of move-in. In general, the effective date for recertifications should be the anniversary of the original move-in date. For detailed guidance, please refer to "Demystifying Effective Dates" https://www.tdhca.texas.gov/compliance-frequently-asked-questions-faqs
	NOTE: Verifications must be valid (i.e., dated no more than 120 days prior to the effective date of the certification).
Move-in Date:	Enter the date the tenant has or will take occupancy of the unit.

Part I - Development Data

Development 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).
Address:	Enter the address of the building.
Unit Number:	Enter the unit number.
# Bedrooms:	Enter the number of bedrooms in the unit.
CMTS #:	Enter the assigned CMTS ID Number.

Part II - Household Composition

List the last name, first name and middle initial of 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			

Enter the date of birth (in MM/DD/YYYY format), student status, and last four digits of the Social Security number/Noncitizen Registration number for each occupant.   If Social Security/Noncitizen Registration numbers are not available, enter "0000". Student Status is determined by the academic institution.

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

Part III – Gross 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 (e.g., 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.

TOTALS: Add the total for each Column (**A**, **B**, **C**, and **D**), respectively.

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, first-hand documentation, or self-certification obtained for each asset source, list the cash value and income 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. Joint accounts should have both household member numbers e.g. Household Member #1 and Household Member #2 have a joint checking account, in the HH Mbr # box next to the checking account list both #1 and #2 as 1/2.

Column (F):   List the type of asset (e.g., checking account, savings account, etc.). If deducting a Tax Return amount you may enter (Tax Return Removed), this is not required but allowed.

Column (G):   Enter C (for current, if the family currently owns or holds the asset), or D (for disposed, 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 (N) for Non-Necessary Personal Property or (R) for Real Property.

Column (I):   Enter the cash value of the respective asset. If deducting a Tax Return you may enter list the amount in (parentheses), this is not required but allowed.

Column (J)   Enter (A) if annual income is the actual income from the asset. Enter (I) if the annual income is the imputed income from the asset. If the imputing income threshold has not been met, enter (N/A).

Column (K)   Enter all actual and imputed annual income from the assets.

Row (L):	Enter the total cash value of all Non-Necessary Personal Property or if Non-Necessary Personal Property is less than inclusion threshold, you may enter "zero". (Either option is allowable)
Row (M):	Enter the total of all actual income from assets.
Row (N):	Enter the total cash value of all net family assets, minus any disclosed Tax Return amounts. Do not enter a negative number if negative enter a zero. • If the Non-Necessary Personal Property is less than the inclusion threshold and there is no Real Property, enter zero. • If the Non-Necessary Personal Property is greater than the inclusion threshold, it should be combined with any Real Property (if applicable) and entered. • Real Property, if held, is always included regardless of the amount and should be entered.
Row (0):	Enter the total of all imputed income from assets.
Row (P):	Total Income From Assets. Add (M) and (O) and enter the total.
Row (Q):	Total Annual Household Income From all Sources. Add (E) and (P) 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 VI – Determination of Program Eligibility

Total Annual Household Income From All Sources:	Enter the number from item (Q).
Current Income Limit per Family Size:	Enter the current Move-in Income Limit for the household size at the designated income limit for the unit.
Program Type:	Mark the program(s) for which this household's unit will be designated toward the property's occupancy requirements.
Applicable Program Designation:	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. If the development has multiple programs, select the appropriate set-aside(s) for each program. If the owner has elected the Average Income minimum set aside, selection of the income level of the household on this form will be considered the owner's designation described in §42(g)(1)(C)(ii)(1). The gross rent for the unit cannot exceed the income level designated by the owner or owner representative

Part VII - RENT

Tenant Paid Rent:	Enter the amount the tenant pays for rent (do not include rent assistance payments, such as Section 8).
Utility Allowance:	Enter the utility allowance. If the owner pays all utilities, enter zero.
Rental Assistance:	Enter the amount of rental assistance, if any.

Other Non-Optional Charges:	Enter the amount of non-optional charges and mandatory fees, such as mandatory renters insurance, utilities paid to/through the owner of the building based on Ratio Utility Billing Systems (RUBS), mandatory garage or carport rent, charges for services provided by the development etc.
Gross Rent for the Unit:	For HTC, Exchange, TCAP, BOND, THTF, enter the total tenant paid rent plus the utility allowance and other non-optional charge(s)/mandatory fees
	For HOME, HOME-ARP, TCAP RF, NSP and NHTF, enter the total tenant paid rent plus the utility allowance, other not-optional charges and rental assistance, if any.
Source of Rental Assistance:	If the source of the Rental Assistance is Federal, check "yes," otherwise, check "no". For households that receive Federal Rental Assistance, select the type of assistance from the listed options. If the correct type of Federal Rental Assistance is not listed, check "Other Federal Rental Assistance" and list the type of rental assistance.
Applicable Rent Limit:	Enter the current rent limit for the unit's rent designation.

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

Are All Occupants Full-Time Students?:	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, enter Student Explanation and attach documentation:	If "yes" is checked, the appropriate exemption <u>must</u> be listed (see Student Explanation listed 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.

Part IX – Household Demographics

Part VIII must be completed by the household and not auto-generated or completed by staff. Failure to comply will result in an event of noncompliance.

The Household member completing the third page of the Income Certification should follow the instructions on the form.