MTW HCV & PBV Rent Calculation

Day 1

MPHA

October 2026

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MPHA MTW Policy

- Moving to Work (MTW) is a demonstration program for PHAs that provides the opportunity to design and test innovative, locally designed strategies
- MTW allows PHAs exemptions from many existing public housing rules and provides funding flexibility with how they use their Federal funds

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MPHA MTW Policy

- MPHA's admin plan was replaced by HCV Operating Procedures
  - In your resources for the class

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HCV and PBV Rent Calculation

- PBV and HCV follow the same regulations for calculation of annual income, adjusted income, and TTP
- Tenant rent and HAP calculations differ
  - Section 11 of the 50058 used for PBV
  - Section 12 of the 50058 used for HCV

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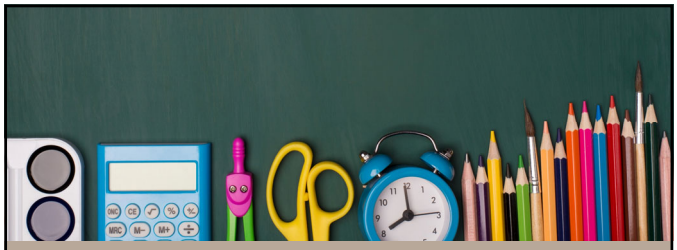

Chapter 1

Income

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Learning Outcomes

- Define annual income
- Differentiate how income is treated for different household member and what is included and excluded
- Calculate income for students

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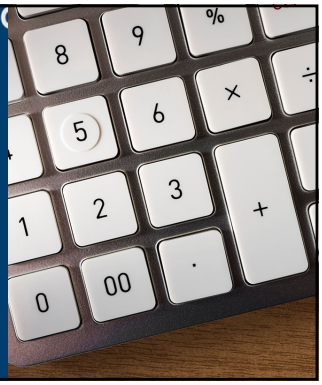
Learning Outcomes

- Identify how to calculate different types of earned income, including employment, self-employment and seasonal income
- Identify when imputed welfare income is to be used and calculated

Annual Income



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MPHA Definition: Annual Income*

The general regulatory definition of annual income shown below is from 24 CFR 5.609.

5.609 Annual income.
(a) Annual income means all amounts, monetary or not, which:
(1) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or
(2) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
(3) Which are not specifically excluded in paragraph [5.609(c)].
(4) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

*Note, HOTMA changed the definition of annual income, but this has not been adopted by MPHA

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Computing Annual Income

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Annualizing Income

- Must convert all income to an annual figure
  - Multiply hourly wages by the number of hours worked per year
  - 2080 (40 hours x 52 weeks) for full-time
  - Example:
    - HoH works full-time earning $17 per hour
    - $17 x 2080 = $35,360 annual income

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Annualizing Income

Weekly	Bi-weekly	Semi-monthly	Monthly
52 weeks	26 weeks	24 weeks	12 months

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Anticipating Income

- Use current circumstances to anticipate annual income
- Project income for a full 12 months
  - Even if income is not expected to continue
    - Unless an imminent change in circumstances is expected or income is cyclical

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Example: Imminent Change Expected

- Employer reports a full-time employee earning $7.25 per hour will receive this for 7 weeks
- In the 8th week after the effective date of the reexam, the employee will begin to receive $8.00 per hour
- How is annual income calculated?

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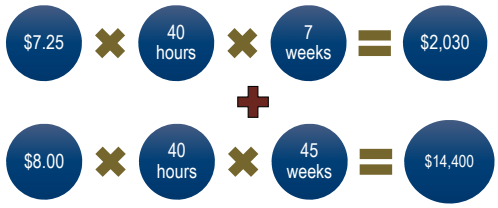
Example: Imminent Change Expected



Total: $16,430

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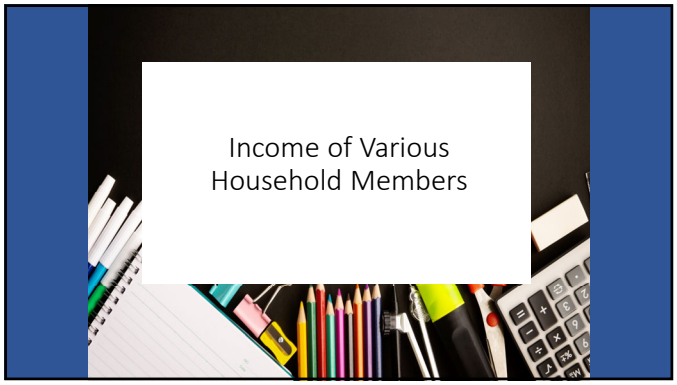

Summary of Income Included and Excluded by Person	
Live-in aides	Income from all sources (both earned and unearned) is excluded
Foster child or foster adult	Income from all sources (both earned and unearned) is excluded
Head, spouse, or cohead Other adult family members	All sources of income not specifically excluded by the regulations are included
Children under 18 years of age	Earned income is excluded Unearned income, except those specifically excluded by the regulations, are included
Full-time students 18 years of age or older (not head, spouse, or cohead)	MTW policy: Earned income is fully excluded. Unemployment income is fully excluded. Unearned income, except those specifically excluded by the regulations, is included

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Minors

- Exclude employment income of children under 18
- Include all unearned income
  - Except those amounts specifically excluded by regulations
- Include assets and asset income in net family assets

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Example

- Amanda Allen (age 16) is a high school student who lives with her parents
- She works part-time after school earning $15,000 per year
- She receives $3,500 in SSI per year
- She has a non-interest-bearing checking account

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Example

- Since Amanda is a minor, the PHA will:
  - Exclude the full amount of employment income
  - Include unearned income from SSI
  - Consider her checking account when determining net family assets

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MPHA Policy

- When a family member will turn 18 between the date of eligibility and on or before the effective date of initial lease-up, MPHA will include the family member's income in the calculation of annual income
- MPHA will then calculate the income of that family member as if he/she was an adult, since the family member will be 18 by the effective date of the lease
- Deductions will also be applied as if the family member was an adult

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MPHA Policy

- Example
  - MPHA completes an eligibility determination on November 1st
  - One of the family members is 17 at the time of screening and eligibility determination; however, the family finds a unit with a lease effective date of December 15th and this individual turns 18 on November 17th
- Example
  - A family member who is 17 at the time of eligibility determination, but 18 on the lease effective date, will NOT be given a dependent deduction unless that family member is a full-time student or disabled

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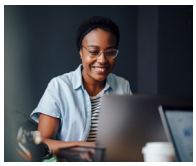
Full-Time Students

- How does HUD define "full-time" student?
  - 24 CFR 5.603 states: *A family member who attends school or vocational training on a full-time basis*
- Therefore, to be considered full-time, a student must be considered full-time by an educational institution with a degree or certificate program



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MPHA MTW Full-Time Student Policy

- For each full-time student 18 years old or older (except head, spouse, or domestic partner) exclude:
  - All earned income
  - All unemployment income
- All unearned income is included

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MPHA MTW Full-Time Student Policy

- The family may elect to include all of a full-time student's income purpose of increasing the family's unit affordability limit
- If a family chooses to decline the full-time student exclusion, the student member's income will be included in the family's annual income until the family moves again

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Temporarily Absent Family Members

- Regulations state that children who are temporarily absent due to placement in foster care continue to be counted as family members
- However, the regulations do not address any other type of temporarily absent family members
- Since the regulations state to count all income unless it's specifically excluded, the PHA includes the income of temporarily absent family members

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MPHA Policy

- Generally, an individual who is or is expected to be absent from the assisted unit for 90 consecutive days or less is considered temporarily absent
  - Continues to be considered a family member
- Generally, an individual who is or is expected to be absent from the assisted unit for more than 90 consecutive days is considered permanently absent
  - No longer a family member
  - Income will be removed
  - Interim will be completed to adjust the family's income

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MPHA Policy

- A head, domestic partner or spouse who is absent from the unit more than 90 consecutive days due to employment or active military service will continue to be considered a family member provided that their income is included in the calculation of household income (excludes hostile fire income)
- Families will be required to provide proof of employment
- Space will not be provided for a family member, other than a spouse, who will be absent most of the time, such as a member who is away in the military

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Example

- Chanda (HOH) lives with her spouse, Kane
- Chanda is temporarily employed in another state for 2 months
- Kane continues to live in the unit
- Her wages will be included during the absence

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MPHA Policy

- If a family member is confined to a nursing home or hospital on a permanent basis, that person is no longer considered a family member
  - Income is not counted
- If there is a question about the status of a family member, MPHA will request verification from a medical professional and will use this determination
  - If the responsible medical professional cannot provide a determination, the person generally will be considered temporarily absent
  - The family may present evidence that the family member is confined on a permanent basis and request that the person not be considered a family member

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Live-In Aides

- Both earned and unearned income is fully excluded
- Live-in aides are household members, not family members
- Ineligible for any deductions

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Foster Children and Foster Adults

- As defined under state law
- Exclude income of foster children and adults
  - Both earned and unearned
- Exclude payments received by the family
- Household members, not family members

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Kinship Care Exclusion

- Kinship care payments are financial support provided to relatives who become legal guardians or foster parents for children who cannot live with their biological parents
- State or tribal kinship or guardianship care payments are excluded
  - State programs, sometimes called "Kin-GAP"

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Learning Activity

1. The head of household's 16-year-old daughter works a part-time job at a fast- food restaurant and makes $300 per week.
   a. Include $300 per week
   b. Include $480 per week
   c. Exclude $300 per week

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Learning Activity

2. The live-in aide works part-time at a hardware store and earns $250 per week.
   a. Include $250 per week
   b. Exclude $250 per week

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Learning Activity

3. A full-time student who is not head, spouse, or cohead works at a grocery store and earns $310 per week.
   a. Include $310 per week
   b. Include $480 for the year
   c. Include $480 per week
   d. Exclude $310 per week

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Learning Activity

4. The head of household is temporarily absent (as defined by PHA policy) from the unit because they are working for a month in another state. They earn $500 per week.
   a. Include $500 per week
   b. Exclude $500 per week

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Earned Income

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Definition: Earned Income

- Income or earnings from wages, tips, salaries, other employee compensation, and net income from self-employment
- Does not include any pension or annuity, transfer payments (meaning payments made or income received in which no goods or services are being paid for, such as welfare, Social Security, and governmental subsidies for certain benefits), or any cash or in-kind benefits
  - Considered unearned income

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Earned Income

- Include in annual income the earned income of:
  - Each member of the family who is 18 years of age or older
    - Or
  - Who is the head of household or spouse or cohead regardless of age

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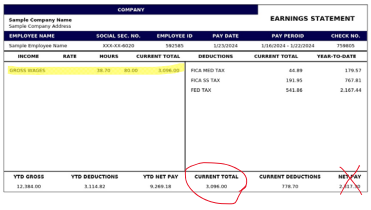
Employment Income

- Full (gross) amount
  - Prior to payroll deductions
  - Includes overtime, commissions, fees, tips, bonuses
- Must estimate income for the upcoming 12-month period



COMPANY

Sample Company Name
Sample Company Address

EARNINGS STATEMENT

EMPLOYEE NAME	SOCIAL SEC. NO.	EMPLOYEE ID	PAY DATE	PAY PERIOD	CHECK NO.
Sample Employee Name	XXX-XX-6020	582585	1/23/2024	1/16/2024 - 1/22/2024	759805

INCOME	RATE	HOURS	CURRENT TOTAL	DEDUCTIONS	CURRENT TOTAL	YEAR-TO-DATE
GROSS WAGES	38.70	80.00	3,096.00	FICA MED TAX	46.89	179.57
				FICA SS TAX	191.95	767.81
				FED TAX	541.86	2,167.44

YTD GROSS	YTD DEDUCTIONS	YTD NET PAY	CURRENT TOTAL	CURRENT DEDUCTIONS	NET PAY
12,384.00	3,114.82	9,269.18	3,096.00	778.70	2,317.30

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Garnishments

- When a family member's wages or benefits are garnished, levied, or withheld to pay restitution, child support, tax debt, student loan debt, or other applicable debts, the PHA must use the gross amount of the income, prior to the reduction, to determine a family's annual income

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MPHA Policy

- New income source(s), including additional jobs, need to be reported to MPHA within 30 days of the start of the new income source
- This new income will be added to the household total and used to determine the Tenant Rent Portion

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MPHA Policy

- Generally, calculate both YTD and average for pay
  - Compare the two calculations
  - Typically, the higher of the two amounts is used
  - If there is a difference greater than $3,000 between the two, investigate the situation to determine which amount is appropriate to use
- If YTD cannot be determined (for example new employment), use an average only

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MPHA Policy: YTD

- Gross year-to-date wages stated on the most recent paystub should be used to annualize income when:
  - It can be verified that a participant has been employed with their current employer since 1/1 of the current year
    - or
  - The hire date can be determined

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MPHA Policy: YTD

- If there is a verifiable reason to use the lower amount (i.e., the participant's hours have been recently reduced and will result in a lower annualized amount than would be reflected by using a year-to-date calculation that would incorrectly reflect more hours being worked through the remainder of the year), case note the matter

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MPHA Policy: YTD

- To calculate using year-to-date, use the Wage Calculation Excel sheet and enter the following information:
  1. Enter the employee start date
     - January 1 or actual employment start date
  2. Enter the pay day listed on the most recent paystub

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COMPANY

Sample Company Name
Sample Company Address

EARNINGS STATEMENT

EMPLOYEE NAME	SOCIAL SEC. NO.	EMPLOYEE ID	PAY DATE	PAY PEROID	CHECK NO.
Sample Employee Name	XXX-XX-6020	592585	1/23/2024	1/16/2024 - 1/22/2024	759805

INCOME	RATE	HOURS	CURRENT TOTAL	DEDUCTIONS	CURRENT TOTAL	YEAR-TO-DATE
GROSS WAGES		38.70	80.00	3,096.00	FICA MED TAX	44.89	179.57
					FICA SS TAX	191.95	767.81
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YTD GROSS	YTD DEDUCTIONS	YTD NET PAY	CURRENT TOTAL	CURRENT DEDUCTIONS	NET PAY
12,384.00	3,114.82	9,269.18	3,096.00	778.70	2,317.30

(II) Year-To-Date Earnings Calculations

5
6 Enter the employee start date
7
8 Enter the pay date listed on the most recent pay stub
9

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MPHA Policy: YTD

- To calculate using year-to-date:
  3. Enter the gross earnings from the most recent pay stub

COMPANY

Sample Company Name
Sample Company Address

EARNINGS STATEMENT

EMPLOYEE NAME	SOCIAL SEC. NO.	EMPLOYEE ID	PAY DATE	PAY PEROID	CHECK NO.
Sample Employee Name	XXX-XX-6020	592585	1/23/2024	1/16/2024 - 1/22/2024	759805

INCOME	RATE	HOURS	CURRENT TOTAL	DEDUCTIONS	CURRENT TOTAL	YEAR-TO-DATE
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YTD GROSS	YTD DEDUCTIONS	YTD NET PAY	CURRENT TOTAL	CURRENT DEDUCTIONS	NET PAY
12,384.00	3,114.82	9,269.18	3,096.00	778.70	2,317.30

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MPHA Policy: YTD

- The calculator will divide the gross pay by the number of pay periods so far this year and then annualize it

(II) Year-To-Date Earnings Calculations

25
26 Enter the employee start date — 1/1/2026
27
28 Enter the pay date listed on the most recent pay stub — 1/25/2026
29
30
31 Enter the gross year to date earnings from the most recent stub. — $3,096.00
32 Days — Weekly Pay Period Conversion
33 25 — 4.43
34
35 This is the annual income calculation
36 based upon year to date earnings
37
38 $3,096.00 — 4.43 — 52 — $36,353.03
39

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MPHA Policy: Example

- Dan has worked at his current job since 1/1 of the current year and provided a paystub with a gross year-to-date of $20,000
- The frequency of pay is bi-weekly and 10 pay periods have occurred since the first pay period in January.
- $20,000/10 pay periods = $2,000 average bi-weekly pay
- $2,000 pay x 26 weeks = $52,000 Gross annual income

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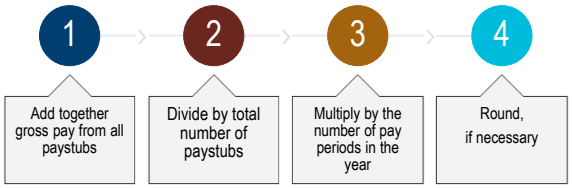
Calculating Average Income



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Example: Average

- Paystub 2: $799.93 for May 15
- Paystub 3: $730.48 for June 1
- Paystub 4: $767.92 for June 15
- What is the annual income?

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Example: Average

1. $799.93 + $730.48 + $767.92 = $2,298.33
2. $32,298.33 ÷ 3 pay stubs = $766.11
   - Pay is semi-monthly (1st and the 15th)
3. $766.11 x 24 = $18,386.64
4. $18,386.64 rounds to $18,387

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Learning Activity 2

- Answer the following questions

Learning Activity

- Two years ago, Walter started working at a grocery store. He is paid every Friday. You have the following information:
  - Paystub 1: Pay date 2/6/26
    - Gross income = $576.27, YTD = $3,061.37 (5 weeks)
  - Paystub 2: Pay date 1/30/26
    - Gross income = $472.28, YTD = $2,485.10 (4 weeks)
  - Paystub 3: Pay date: 1/23/26
    - Gross income = $512.82, YTD = $2,012.82 (3 weeks)

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Learning Activity

- What is Walter's annual income if you use an average?
- What is Walter's annual income if you use YTD?
- Which amount should you use for his annual income?

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Seasonal Employment

- Some occupations regularly work less than 12 months per year
- Provided it is not nonrecurring, earnings of seasonal workers or day laborers are included in annual income
- Even if the source, date, or amount of income varies

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MPHA Policy

- To determine annual income for individuals who have seasonal income, MPHA will use past actual income received or earned within the last 12 months of the determination date
- Documentation may include, but is not limited to UIV, EIV, W-2 forms, 1099, paystubs, and tax returns with supporting income documentation.

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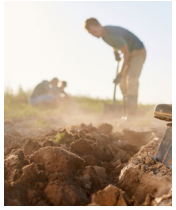
Definition: Day Laborer

- An individual hired and paid one day at a time without an agreement that the individual will be hired or work again in the future



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Definition: Seasonal Worker

- An individual who is hired into a short-term position
  - e.g., for which the customary employment period for the position is 6 months or fewer
- The employment begins about the same time each year
  - Such as summer or winter
- Typically, the individual is hired to address seasonal demands that arise for the particular employer or industry

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Seasonal Work

- Some examples of seasonal work include employment limited to holidays or agricultural seasons
- Seasonal work may include but is not limited to employment as a lifeguard, ballpark vendor, or snowplow driver

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MPHA Policy: Academic Calendar Employees

- For participants employed by a school or school district that do not work during the summer will have their school year income annualized by converting the average pay to an average weekly pay and multiplying the weekly average by 39 weeks
  - Unless otherwise designated in the documentation received
  - Not eligible for an interim decrease over the summer unless they verify they are no longer employed with the school permanently

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MPHA Policy: Academic Calendar Employees

- Summer jobs or unemployment collected by the participant during the summer months must be reported and will be included
- Unemployment should be calculated at 13 weeks and included in the family's income
- Families may use their one-time interim decrease when the summer job or unemployment ceases when the school year begins

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MPHA Policy Example

i.e. Other wage at 39 weeks = $25,000 annually

+ Unemployment at 13 weeks = $5,000 annually

Total annual income to be used for rent calc = $30,000

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Self-Employment

- Annual income includes net income from the operation of a business or through self-employment
  - *Net income* is gross income minus business expenses that allows the business to operate
    - May deduct depreciation (straight-line), interest payments on loans, and all expenses other than those for expansion or capital improvements
    - MPHA policy: At its discretion MPHA will elect to use current applicable Internal Revenue Service (IRS) rules for determining allowable business expenses [see IRS Publication 535]

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MPHA Policy

- Business owners, self-employed persons, and independent contractors, will be required to provide one or more of the following:
  - An audited financial statement or balance sheets for the previous fiscal year if an audit was conducted,
  - If an audit was not conducted, a statement of income and verified expenses must be submitted and the business owner or self-employed person must certify to its accuracy,
  - IRS Form 1040 C stating gross income from business, itemized list of business expense deductions, and supporting documentation for all business expense deductions listed,
  - IRS 1099-MISC to verify gross income for independent contractors and supporting documentation for all business expenses,
  - All IRS schedules completed for filing federal and local taxes in the preceding year. If accelerated depreciation was used on the tax return or financial statement, an accountant's calculation of depreciation expense, computed using straight-line depreciation rules

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Self-Employment

- Any withdrawal of cash or assets from the operation of a business or profession will be included in income
  - Except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family

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MPHA Policy

- Acceptable investments in a business include cash loans and contributions of assets or equipment
  - For example, if a member of an assisted family provided an up-front loan of $2,000 to help a business get started, MPHA will not count as income any withdrawals from the business up to the amount of this loan until the loan has been repaid
- Investments do not include the value of labor contributed to the business without compensation.

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Example

- Donna Edwards is starting a new business as a dog walker. She is using $500 of her own money to purchase leashes, dog treats, and to print fliers and advertise
- After several months, she withdraws $500 from the business as a reimbursement of her initial investment
- The $500 is not considered income since it is a reimbursement of her own investment

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Self-Employment

- If net income from a business is negative, no income is included in annual income
  - Example: Martin West is HOH
  - He earns $35,000 per year wages
  - His spouse Amanda is self-employed
  - She has negative business income of -$1,500
  - Amanda's loss does not offset Martin's wages

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MPHA Policy

- At any reexamination MPHA may request documents that support submitted financial statements such as manifests, appointment books, cash books, mileage logs, or bank statements
- It is the participant's responsibility to supply supporting documentation for self-employment income in a neat and organized format
  - Documents that are not organized upon submission will not be accepted until the participant has done so

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MPHA Policy

- MPHA will use the net business income if the family provides supporting documentation of their business expenses in addition to the gross income verification provided
- If the family does not provide documentation, the gross business income amount will be used to annualize the family's income and calculate rent portions
- If the family provides partial documentation, the partial verification provided will be used to calculate the net business income to be used for rent calculation or MPHA will determine a reasonable method for calculating the business expenses declared by the participant

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MPHA Policy

- Co-owned business
  - If a business is co-owned with someone outside the family, the family must document the share of the business it owns
  - If the family's share of the income is lower than its share of ownership, the family must document the reasons for the difference

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Independent Contractors

- Income received as an independent contractor is included in annual income
  - Even if the source, date, or amount of the income varies
  - Considered self-employed and net income is included
  - Includes "gig" workers like Uber or Lyft

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Definition: Independent Contractor

- An individual who qualifies as an independent contractor instead of an employee in accordance with the Internal Revenue Code Federal income tax requirements and whose earnings are consequently subject to the Self-Employment Tax
- In general, an individual is an independent contractor if the payer has the right to control or direct only the result of the work and not what will be done and how it will be done

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Example: Independent Contractor

- Belinda Baker drives for Uber
- She files a 1099
- She is considered self-employed
- Whether she works full-time or part-time, her net income is included in annual income, even if her hours and pay vary

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MPHA Policy

- MPHA does not accept tax forms as income verification for rideshare and other app-based jobs because they have access to more current verifications via monthly or weekly statements
- Ride share and app-based delivery services independent contractors must provide official work statements
  - Monthly: At least 2 months
  - Weekly: At least 4 weeks
- Statements must:
  - Be consecutive
  - Show driver's name, week or month period, net earnings, and, ideally, booked miles

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MPHA Policy

- Use the Uber and Lyft Income Calc Sheet to calculate income (in your materials for the class)
  - Enter standard mileage rate
    - $0.725 for 2026
  - Enter net earnings
  - Enter booked miles
    - If booked miles information is not provided, that field is left blank
- Calculator annualizes the income and calculates the 15% Working Family Incentive deduction that is granted to households with minor children

80

Weekly

Weekly summary Sep 2-Sep 8, 2019
Generated September 12, 2019, 02:36 PM PDT

Freida Gough
SSN: xxx-xx-0000

$780.29
Net earnings

Net earnings

Driving totals
Here is a summary of your earnings and rides for the week. Thanks for driving with Lyft!

76 Rides	614.59 Booked miles
28 hr Booked time	35 hr 19 min Online time

Miles

Your earnings	$781.79
Ride Earnings The gross amount you earned on rides you gave.	$650.32
Tips Tip tip hooray!	$48.60
Ride Adjustments	$6.25
Bonuses	$71.62
Cancel Earnings	$5.00
Your deductions	**-$1.50**
Express Pay Fees The amount you paid to cash out your earnings on demand.	-$1.50

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You collect 4 weeks worth of statements and enter the following information:

1	*Participant:*				*Move-in/Recert Date:*		
2							
3	Mileage Expense Rate:	$0.725	<-- Enter the appropriate mileage expense rate. For 2025 it is $0.70. For 2024 it was $0.67.				
4							
5	Number of Paystubs:	4	<-- Make sure the number of paystubs is correct or your calculation will be off!				
6							
7		Week 1	Week 2	Week 3	Week 4	Week 5	Week 6
8	Weekly Mileage:	614.59	635	450.21	626.39		
9							
10	Net Earnings:	$780.29	$800.27	$567.26	$789.26		
11							
12	Weekly MPHA Income:	$334.71	$339.90	$240.86	$335.13	$0.00	$0.00
13							
14	Annual Income:	$16,257.70					
15	WFI Income:	$13,819.04					
16	WFI Exclusion:	$2,438.65					
17							

82

Military Pay

- Count all regular pay, special pay, and allowances of member in armed forces
- Do not count special duty pay received for being exposed to hostile fire

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Income of Students

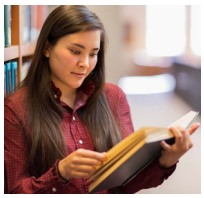
Educational Savings Accounts

- Exclude any amount in or from, or any benefits, income, or distributions from, any:
  - Coverdell educational savings account
  - Any qualified tuition program under IRS sections 529 and 530

85

Student Loans

- Exclude the net amount disbursed by a lender to or on behalf of a borrower under the terms of a loan agreement received by the family or a third party



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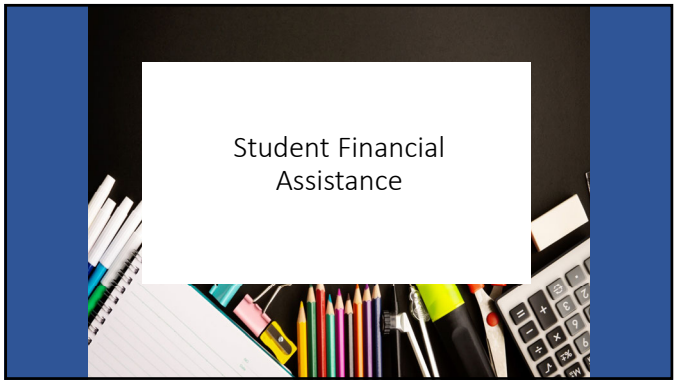

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Student Financial Assistance

- Creates two categories of student financial assistance

Assistance under section 479B of the Higher Education Act of 1965
- Title IV of the HEA

Other student financial assistance

88

Assistance Under Title IV of the HEA

- Must be excluded from the family's annual income

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Examples

- Pell Grants
- Teach Grants
- Federal Work Study Programs
- Federal Perkins Loans
- Income earned in employment and training programs under section 134 of the Workforce Innovation and Opportunity Act (WIOA) (starting 1/1/24)
- Bureau of Indian Affairs/Education student assistance programs

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Other Student Financial Assistance

- Exclude:
  - Any other grant-in-aid, scholarship, or other assistance amounts
  - For the *actual covered costs* charged by the institute of higher education
  - Not otherwise excluded by the Federally mandated income exclusions (i.e., Title IV of the HEA)

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Definition: Actual Covered Costs

- The actual costs of:
  - Tuition, books, and supplies
    - Including supplies and equipment to support students with learning disabilities or other disabilities
  - Room and board
  - Other fees required and charged to a student by the educational institution
- And, for a student who is not the head of household or spouse/cohead, include:
  - The reasonable and actual costs of housing
  - While attending the institution of higher education
  - And not residing in an assisted unit

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Student Financial Assistance

- To qualify, assistance must be expressly:
  - For tuition, book, supplies, room and board, or other fees required and charged to the student by the educational institution;
  - To assist a student with costs of higher education; or
  - To assist a student who is not the head of household or spouse with the reasonable and actual costs of housing while attending the education institution and not residing in an assisted unit.

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Types of Student Financial Assistance

- Must be a grant/scholarship received from:
  - The Federal government
  - A State, Tribal, or local government
  - A private foundation registered as a nonprofit
  - A business entity
  - An institution of higher education
- Does not include:
  - Financial support provided to the student in the form of a fee for services performed
  - Gifts, including gifts from family or friends

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Student Financial Assistance

- Applies to both full-time and part-time students
- May be paid directly to the student or to the educational institution on the student's behalf

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What does this mean?

- The amount of student financial assistance that helps the student with their actual educational expenses is not included in annual income
- Anything over that amount may be included
- PHA needs to verify:
  - How much is the student's financial assistance?
  - Is any of the assistance coming from a source under Title IV of the HEA?
  - What are their actual covered costs to attend school?

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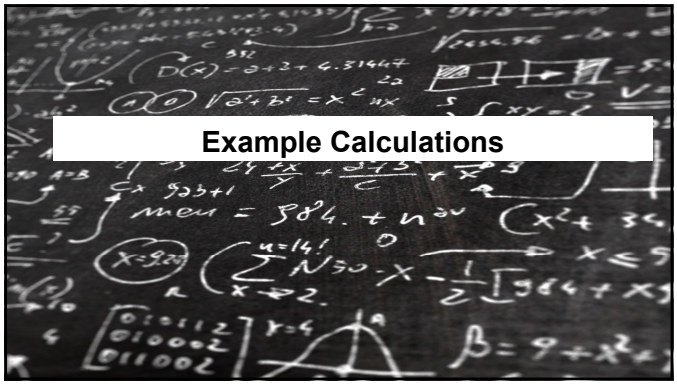

Example 1: HEA Assistance Only

- If a student only receives financial assistance under Title IV of the HEA, i.e. a $10,000 Pell Grant, and does not receive any other student financial assistance
  - Exclude the full amount of the assistance received under Title IV
  - No need to calculate actual covered costs

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Example 2: Other Assistance Only

- If the student does not receive any assistance under Title IV of the HEA but does receive assistance from another source:
  1) Calculate actual covered costs
  2) Subtract the total amount of the student's financial assistance from the student's actual covered costs
  3) Include any amount of financial assistance in excess of the student's actual covered costs

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Example 2: Other Assistance Only

Actual covered costs: $20,000

Title IV HEA assistance: $0

Other student financial assistance: $25,000

$25,000 in financial assistance - $20,000 in actual covered costs

Included income: $5,000

100

Example 3: Both

- When a student receives assistance from both Title IV of the HEA and from other sources:
  - Calculate the actual covered costs
  - Assistance received under Title IV of the HEA is applied to the student's actual covered costs first
  - Then apply the other student financial assistance to any remaining actual covered costs
- If the amount of assistance excluded under Title IV of the HEA equals or exceeds the actual covered costs, none of the student financial assistance is excluded from income

101

Example 3: Both

Actual covered costs: $25,000

Title IV HEA assistance: $26,000

Other student financial assistance: $5,000

Exclude the entire Title IV HEA assistance

Included income: $5,000 in other financial assistance

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Example 4: Both

- If the amount of assistance excluded under Title IV of the HEA is less than the actual covered costs, exclude the amount of other student financial assistance up to the amount of the remaining actual covered costs

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Example 4: Both

Actual covered costs: $22,000

Title IV HEA assistance: $15,000

$22,000 actual covered costs - $15,000 Title IV HEA assistance = $7,000 remaining

Other student financial assistance: $5,000

$5,000 other financial assistance - $7,000 remaining

Included income: $0

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Example 5: Both

Actual covered costs: $18,000

Title IV HEA assistance: $15,000

$18,000 actual covered costs - $15,000 Title IV HEA assistance = $3,000 remaining

Other student financial assistance: $5,000

$5,000 other financial assistance -$3,000 remaining

Included income: $2,000

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Learning Activity

- Maria (age 32) is an HCV program participant. She attends school at a community college part-time. She receives a Pell Grant in the amount of $8,000 per year. Her actual covered costs to attend school year are $7,500.
- How much of her Pell Grant does the PHA include in her annual income?

107

Learning Activity

- Manny (age 40) is an HCV program participant who lives with his mom and attends graduate school full-time. He receives a scholarship to offset his tuition costs of $20,000 per year. The PHA verifies his actual covered costs to attend school are $30,000 per year.
- How much does the PHA include in his annual income?

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Learning Activity

- Angel (age 25) is participant. He attends college full-time. He receives a scholarship of $50,000 per year. The PHA verifies his actual covered costs to attend school are $40,000 per year.
- How much does the PHA include in his annual income?

109

Periodic Payments

Periodic Payments

- Periodic payments are income sources received on a regular basis
  - Weekly, monthly, or yearly
  - For example, payments from Social Security, SSI, annuities, pensions, disability, death benefits
- They are typically included in annual income
- The full amount of periodic payments received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts are included

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MPHA Policy: Payments in Lieu of Earnings

- Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay, are counted as income if they are received either in the form of periodic payments

112

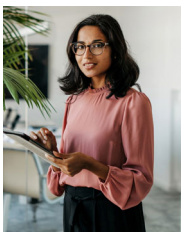
Lump Sum Payments Counted as Income

- Generally, lump sums received by the family are not considered income since they are nonrecurring
- However, lump sums caused by delays in processing periodic payments (such as welfare and unemployment) are included in annual income

113

Example: Lump Sum as Income

- Beverly Boone lost her job on 10/19 and applies for unemployment benefits
- On 12/6 she received:
  - A lump-sum payment of $900 to cover the period from 10/20 to 12/5
  - Her $200 weekly benefit
- The lump sum for the delayed start of unemployment well as her weekly unemployment benefit amount are both included



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Exception: Certain Deferred Periodic Payments

- Deferred periodic amounts from SSI and SS benefits or any deferred VA disability benefits that are received in a lump sum amount or in prospective monthly amounts are excluded from annual income

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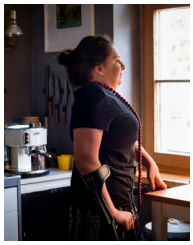
Example: Excluded Deferred Payment

- Amanda Martinez applied for SSI two years ago
- When it was awarded, she received a one-time lump sum payment for $8,000
- She also started receiving gross monthly SSI payments of $500
- Include the gross amount of Wanda's monthly SSI
  - $500 x 12 = $6,000
- Exclude the full amount of the lump sum
  - The lump sum may be an asset



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Social Security

- Include gross Social Security income prior to the Medicare deduction
- Example:
  - Gross SS payment is $800 per month
  - $174.70 subtracted for Medicare premium
  - Count $800 per month as income
  - $800 x 12 = $9,600

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Reduction in Social Security Benefits

- If benefits reduced to make up for prior overpayments by SSA, include amount provided
  - Not amount that would have been provided if no error had been made
- Example:
  - Social security overpaid benefits for the past 6 months
  - Should have received $1,100 per month
  - Family instead received $1,200 per month
  - SSA adjusts payment to recoup overpayment
  - $1,000 per month for the next 6 months
  - For the next sixth months, use the lower amount

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Applying the SS COLA

- COLA announced annually in October
  - In some years, there is no COLA
- Effective the day after SSA announces the COLA, the PHA must factor it in for all annuals and interims:
  - That have not yet been completed
    - and
  - Are effective January 1 or later of the following year

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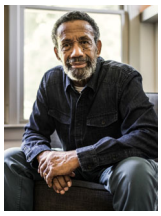
Example: Applying the COLA

- The PHA is processing Edward's annual in November which will be effective 2/1
- EIV shows he is currently receiving $500 a month in SS
  - PHA obtains self-certification he agrees
- COLA announced 10/13: 3.6%
  - $500 x 3.6% = $18
  - $518 x 12 = $6,216 effective 2/1



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Verification

- Participants
  - View the EIV Income Report and confirm the current listed benefit amount is correct
- Applicants
  - Provide a copy of their benefit letter dated within the appropriate benefit year

Learning Activity 4

- Answer the following questions

Learning Activity

1. Lola's gross SS benefit each month is $872. $202.90 is taken out each month for Medicare Part B. What does the PHA include as annual income from SS?
2. Andrew's gross SS benefit is $1,027 each month, but $825 is take out as a garnishment for back child support. What does the PHA include as annual income from Social Security?

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Learning Activity

3. Michelle's gross SS benefit is $987 each month but the SSA has informed her that for the next 12 months $127 will be deducted because of a SS overpayment. What does the PHA include as annual income from SS?

124

Learning Activity

4. The PHA is processing Kai's annual reexam in November which will be effective 2/1. He is currently receiving $750 a month. The COLA announced on 10/1 as 2.8%. What does the PHA include as annual income from SS?

125

Alimony and Child Support

- Annual income includes "all amounts received," not the amount that a family may be legally entitled to receive but which they do not receive
  - For example, a family's child-support or alimony income must be based on payments received, not the amounts to which the family is entitled by court or agency orders
  - Verification of amount received is up to PHA policy

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MPHA Policy

- If the family declares that it receives irregular payments that differ from the court awarded amounts, MPHA will count an average of the payments received over a 90-day or full 3-month period, including months payment was due but not received

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MPHA Policy

- Families who do not have court-awarded alimony and child support awards:
  - Not required to seek a court award
  - Not required to take independent legal action to obtain collection
  - Will be required to provide notarized statement declaring support payments

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MPHA Policy

- If the family declares that it receives irregular or no payments, MPHA will verify payments using a disbursement history provided by the child support enforcement agency
- If no payments are received for 60 consecutive days, alimony and child support payments will not be counted as annual income

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MPHA Policy

- The methods MPHA will use to verify alimony and child support payments differ depending on whether the family declares that it receives regular payments. If the family declares that it receives regular payments, MPHA will use of the following: verification will be obtained in the following order of priority.
  - If payments are made through a state or local entity, MPHA will request a current record of payments.
  - Third-party verification from the person paying the support
  - Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules
  - Copy of the latest check and/or payment stubs
  - Family's self-certification of amount received

130

Retirement Accounts

- Any distribution of periodic payments from retirement accounts is income at the time it is received by the family

131

MPHA Policy: Regular Gifts and Contributions

- MPHA will count as income all monetary and nonmonetary contributions or gifts from persons not residing with an assisted family, other than those received on a temporary, nonrecurring, or irregular schedule

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MPHA Policy: Regular Gifts and Contributions

- Nonmonetary contributions
  - Valued at the cost of purchasing the items, as determined by MPHA
- Contributions that may vary from month to month (e.g., utility payments)
  - MPHA will include an average amount based upon past history

133

MPHA Policy: Regular Gifts and Contributions

- Examples of regular contributions (which will be counted as income) include:
  - Regular payment of a family's bills (e.g., utilities, telephone, rent, credit cards, and car payments)
  - Cash or other liquid assets provided to any family member on a regular basis
  - "In- kind" contributions such as groceries and clothing provided to a family on a regular basis.

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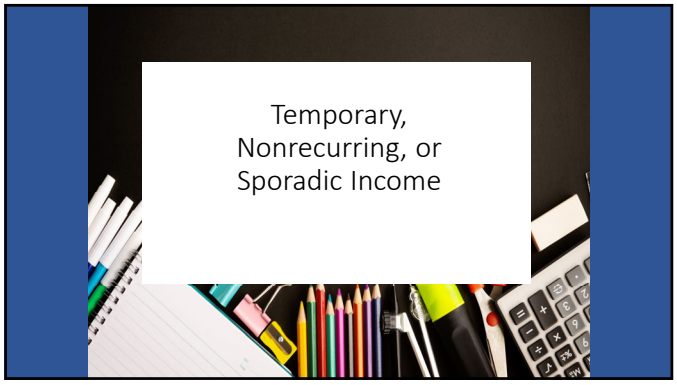

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MPHA Policy: Nonrecurring/Sporadic Income

- Sporadic income is income that is not received periodically and cannot be reliably predicted
- Temporary, nonrecurring or sporadic income and/or gifts are not included in annual income
- Income of an individual who works occasionally as a handyman would be considered sporadic if future work could not be anticipated and no historic, stable pattern of income existed

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MPHA Policy: Nonrecurring/Sporadic Income

- Example
  - Daniel works occasionally as a handyman
  - He claims to have worked only a couple of times last year and he has no documentation to support this claim. His earnings are neither reliable (he cannot depend on them) nor do they recur at regular intervals
  - Daniel's handyman earnings are not included in annual income
  - If Daniel is the sole household member and has no other sources of income or benefits, he would fall under the zero-income verification and reexamination requirements

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Nonrecurring Income

- Lump-sum additions to net family assets, including but not limited to lottery or other contest winnings
  - May be counted as an asset

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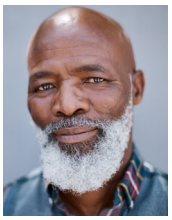
Example: Lumps Sums

- Trevor Lucky bought 10 lottery tickets
- One of the tickets won him $1,000
- The winnings are a one-time, lump-sum and are not included in annual income



139

Nonrecurring Income Examples

- Payments from the U.S. Census Bureau for employment lasting no longer than 180 days
- Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;
- Gifts for holidays, birthdays, or other significant life events or milestones

140

Zero Income Families

Zero Income Procedures

- May accept a self-certification of zero income from the family at admission and reexam without taking any additional steps to verify zero reported income
- HUD does not require they be notarized
- PHAs may, but are not required to, establish reasonable procedures to manage the risk of unreported income, such as asking families to complete a zero-income worksheet

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MPHA Policy

- Members must certify their zero-income status by signing and dating the MPHA Declaration of Zero Income Form
  - Live-in aides do not need to sign the zero income form
- Members with zero income may be required to attend a zero-income update appointment every 90 days to re-certify their zero-income status until the member gains an income source
  - If contribution from family is only source of income, the member will still be required to attend 90 day zero income re-certifications

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MPHA Policy

- If all adults report zero income in a household, the head of household will need to complete the zero-income household form
  - All the living expenses and the cost for each expense must be itemized on the form
  - The family must disclose how the expenses will be paid
  - The cost of each expense will be summed together as a monthly total and annualized
  - The annualized expense cost will be counted as other non-wage source income and used for rent calculation
  - Food and utility expenses paid with public assistance (SNAP & Energy Assistance) will not be counted in the non-wage income calculation

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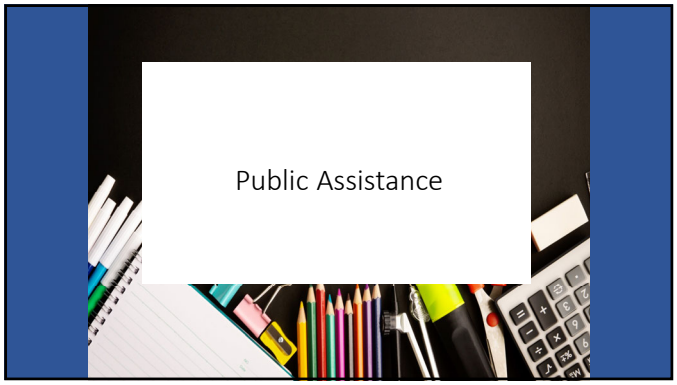

Public Assistance

- Include in annual income:
  - Temporary Assistance for Needy Families (TANF)
  - SSI
  - General Assistance

146

Public Assistance in As-Paid States

- Income regulations no longer include a reference to welfare assistance in as-paid states
  - New York, New Hampshire, and Vermont
- However, TTP regulations still state to consider welfare rent when calculating family's TTP

147

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Imputed Welfare Income

- Families who receive welfare benefits must participate in welfare's economic self-sufficiency program to receive benefits
- When family has not complied with certain requirements of the welfare agency, the family's benefits may be sanctioned

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Imputed Welfare Income

- When the welfare agency imposes a sanction that reduces a family's welfare income because
  - The family commits welfare fraud, or
  - Fails to comply with welfare's economic self-sufficiency program or work activities requirement

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Imputed Welfare Income

- The PHA:
  - Must not reduce the family's rent, even though the welfare benefit income has been reduced
  - Must include in annual income an "imputed" welfare income
    - "Imputed welfare" – the amount family would have received if not for the welfare sanction

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Imputed Welfare Income

- Not applicable if:
  - The reduction is the result of expiration of a time limit on receiving benefits
  - Family has complied with requirements but can't find a job
  - The reduction is due to noncompliance with other welfare agency requirements

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MPHA Policy: Verification

- MPHA will obtain written verification from the welfare agency stating that the family's benefits have been reduced because of fraud or noncompliance before denying the family's request for rent reduction
- MPHA will rely on the welfare agency's written notice to MPHA regarding welfare sanctions

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MPHA Policy: Family Disputes

- If the family disputes the amount of imputed income and MPHA denies the family's request to modify the amount, MPHA will provide the tenant with a notice of denial, which will include:
  - An explanation for MPHA's determination of the amount of imputed welfare income.
  - A statement that the tenant may request an informal hearing.

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Imputed Welfare Income

- PHA will include imputed welfare income in annual income determination
- A family is receiving $600/mo TANF benefits
  - Benefits stop due to welfare fraud
    - Imputed welfare income = $600

Imputed Welfare Income

- Imputed welfare income is *offset (reduced)* by additional (new) income from other sources starting after sanction is imposed

ADDITIONAL INCOME

IMPUTED WELFARE INCOME

Imputed Welfare Income

- A family is receiving $600/mo TANF benefits
- Benefits stop due to welfare fraud
  - Imputed welfare income = $600
- The head begins working, earning $300/mo
  - Employment income = $300
  - Imputed welfare income = $300
  - Total 50058 monthly income = $600

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Imputed Welfare Income

- A family is receiving $600/mo TANF benefits
- Benefits are reduced to $200 due to fraud
  - TANF income = $200
  - Imputed welfare income = $400
- The head begins working, earning $300/mo
  - TANF income = $200
  - Employment income = $300
  - Imputed welfare income?
    - $400 – $300 = $100
  - Total 50058 income = $600

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Imputed Welfare Income

- A family is receiving $600/mo TANF benefits
- Benefits stop due to failing to participate in required economic self-sufficiency program
  - Imputed welfare income = $600
- The head begins working, earning $800/mo
  - Employment income = $800
  - Imputed welfare income? $0

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Review of PHA Decision

- Family must be assisted at the time of the sanction
- Family may request an informal hearing to review determination of imputed welfare income amount
  - But not whether they should have been sanctioned by the welfare agency!

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Learning Activity

- Betty Childs and her three children currently receive TANF benefits. They do not have any other source of income. The welfare agency has notified you that Ms. Childs' benefits are being reduced because of fraud. Ms. Childs' regular TANF amount is $650 per month. Her TANF is being reduced to $450 per month, and the reduction is expected to last for the next 12 months. She continues to receive the reduced TANF benefits of $450 each month.

161

Learning Activity

- How much imputed welfare income is included per month?
- How much TANF income is included per month?

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Learning Activity

- It is three months later, Ms. Childs now begins to receive $150 per month in alimony.
- She continues to receive the $450 per month in TANF. The welfare sanction reducing her TANF benefits from $650 a month to $450 a month is still in place.

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Learning Activity

- How much imputed welfare income is included per month?
- How much other income is included per month?

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Learning Activity

- It is now six months later. Ms. Childs has a new job at which she earns $500 monthly.
- She continues to receive the $150 a month in alimony.
- The welfare sanction reducing her TANF benefits from $650 a month to $450 a month is still in place

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Learning Activity

- How much imputed welfare income is included per month?
- How much other income is included per month?

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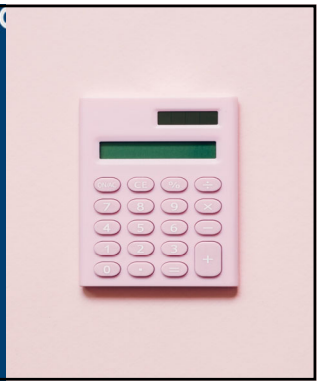
Other Types of Income



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Medical Reimbursements

- Exclude amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member

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Publicly Assisted Programs

- Exclude amounts specifically for reimbursement of out-of-pocket expenses to allow participation in a specific program

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MPHA Policy
HUD-Funded Training Programs

- Amounts received under training programs funded in whole or in part by HUD are excluded from annual income
- Eligible sources of funding for the training include operating subsidy, Section 8 administrative fees, and modernization, Community Development Block Grant (CDBG), HOME program, and other grant funds received from HUD

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Training Programs

- Exclude all *incremental* earnings and benefits from qualifying federal, state, tribal, or local employment training programs and training of a family member as resident management staff
  - Includes programs not affiliated with a local government
  - No specific programs cited
- *Incremental earnings:*
  - Increase in total amount of benefits (TANF) and earnings of family member prior to enrollment in training program versus after enrollment
- Exclude incremental earnings and benefits only while the family member participates in the employment training program

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MPHA Policy

- MPHA definition of training program:
  - A learning process with goals and objectives, generally having a variety of components, and taking place in a series of sessions over a period of time. It is designed to lead to a higher level of proficiency, and it enhances the individual's ability to obtain employment. It may have performance standards to measure proficiency.
- Training may include, but is not limited to:
  - Classroom training in a specific occupational skill;
  - On-the-job training with wages subsidized by the program; or
  - Basic education

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Example: Training Program

- Horatio Smith receives $600 per month in TANF
- He enrolls in a state employment training program
- He begins receiving $750 per month in training income
- His TANF benefits stop
- What income is included?
  - $600
  - $150 increase is excluded
- How long will it be excluded?
  - While he is in the program

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Plan for Achieving Self-Sufficiency (PASS)

- Exclude PASS income
  - SSI recipients – training program
  - Disregarded while SSI disregards it

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Resident Service Stipends

- Received for performing a services
  - Fire patrol
  - Hall monitoring
  - Lawn maintenance
  - Serving on PHA board
  - Resident initiatives coordinator
- Not to exceed $200 per month
  - If individual receives an amount that exceeds $200 per month, include the entire amount
- Individual cannot receive more than one such stipend at the same time

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Other Income Exclusions

- Holocaust reparations payments
- Refunds and rebates for property taxes
- Adoption assistance payments in excess of the dependent deduction
- Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home.

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MPHA Policy

- Income of a Person Moving into HCV From a Nursing Home
  - If a family member is admitted to the HCV program upon release from a nursing home, rehabilitation center or other healthcare or assisted living facility, and verifies a reduced Supplemental Security Income or Old Age Survivors Disability Income (OASDI) income from Social Security; MPHA will annualize the current income and conduct an interim reexamination within 90 calendar days of the date of admission
  - If within the 90 calendar days, the tenant experiences an increase in income from the Social Security Administration, MPHA will process an increase in rent between the regularly scheduled reexaminations.

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Federally Mandated Exclusions

- Federal Register Notice 1/31/24 updated the list of Federally mandated exclusions
- Food Stamps
- School Lunch Act and Child Nutrition Act
  - Including WIC and reduced-price lunches
- Domestic Volunteers Services Act payments
- Heating assistance payments
- Workforce Innovation and Opportunity Act
- Allowances, earnings, and payments to AmeriCorps participants
- Certain payments to Native Americans under Indian Settlements/Trusts
  - See list in book page 2-52
- Spina Bifida and Agent Orange settlements

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Federally Mandated Exclusions (continued)

- Child Care and Development Block Grant Act
- Earned Income Tax Credit refund payments
- Amounts in and distributions from ABLE accounts
- Robert T. Stafford Disaster Relief and Emergency Assistance Act and other state and local disaster assistance
- Title V of the Older Americans Act
- Crime victim compensation
- Any amounts in an "individual development account"
- Assistance received under an Emergency Rental Assistance Program (ERAP)

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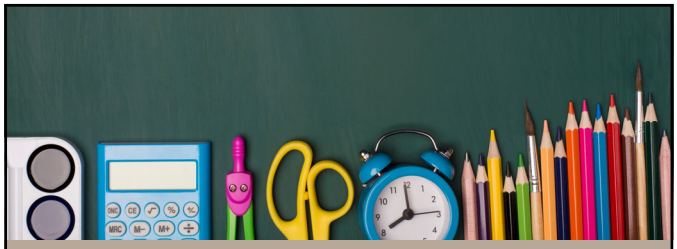

Chapter 2

Assets and Asset Income

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Learning Outcomes

- Calculate cash value, market value, and anticipated income
- Calculate imputed asset income when the total cash value of assets exceeds $50,000
- Distinguishing between which assets are included, and which are not
- Identifying assets disposed of for less than fair market value and calculating the amount to be imputed for two years from the date of sale

Savings & Checking Accounts

- PHA establishes policy for determining value of accounts
  - May count current balances or average balances for a given period
- Cash value and market value will be the same for regular checking and savings accounts
- MPHA Policy:
  - Use the current balance to determine the value of checking and savings accounts

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ABLE Accounts

- Notice PIH 2019-09
- Achieving a Better Life Experience Act of 2014
- Accounts for persons with disabilities set up under state law
  - Statutory eligibility requirements
  - Cap on annual deposits per state law
- Excluded from annual income:
  - Withdrawals/disbursements
  - Contributions by third parties
  - Actual/imputed interest
- If ABLE beneficiary is employed, all earned income is counted even if a portion is deposited to ABLE account

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Investment Accounts

- Investments such as stock, bonds, savings certificates, and money market funds
- MPHA policy
  - Interest or dividends earned by investment accounts are counted as actual income from assets even when the earnings are reinvested. The cash value of such an asset is determined by deducting from the market value any broker fees, penalties for early withdrawal, or other costs of converting the asset to cash.

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Real Property

- Equity in real property or other capital investments
  - Equity = market value minus mortgage

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MPHA Policy

- Equity in real property and other capital investments is considered in the calculation of asset income except for the following types of assets:
  - Equity accounts in HUD Homeownership programs
  - The value of a home currently being purchased with assistance under the HCV program Homeownership Option for the first 10 years after the purchase date of the home
  - Equity in owner-occupied cooperatives and manufactured homes in which the family lives
  - Equity in real property when a family member's main occupation is real estate. This real estate is considered a business asset, and income related to this asset will be calculated.
  - Interests in Indian Trust lands
  - Real property and capital assets that are part of an active business or farming operation

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MPHA Policy: Rental Property

- To verify net income from a rental property, the family must provide:
  - A current executed lease for the property that shows the rental amount or certification from the current tenant; or
  - A self-certification from the family members engaged in the rental of property providing an estimate of expenses for the coming year and the most recent IRS Form 1040 with Schedule E (Rental Income). If schedule E was not prepared, MPHA will require the family members involved in the rental of property to provide a self- certification of income and expenses for the previous year and may request documentation to support the statement including: tax statements, insurance invoices, bills for reasonable maintenance and utilities, and bank statements or amortization schedules showing monthly interest expense.

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Retirement Savings Accounts

- IRA, Keogh, and similar retirement savings accounts
  - Even though withdrawal would result in a penalty
- Before retirement, count only amounts family can withdraw without retiring or quitting
- After retirement, count regular periodic payments as income

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MPHA Policy: Verification

- Before retirement
  - MPHA will accept an original document from the entity holding the account with a date that shows it is the most recently scheduled statement for the account but in no case earlier than 6 months from the effective date of the examination.
- Upon retirement
  - MPHA will accept an original document from the entity holding the account that reflects any distributions of the account balance, any lump sums taken and any regular payments.
- After retirement
  - MPHA will accept an original document from the entity holding the account dated no earlier than 12 months before that reflects any distributions of the account balance, any lump sums taken and any regular payments.

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What Assets Include

- Assets held in the name of more than one person that allow unrestricted access
  - Family member has full access, count the full value
  - Family member has restricted access, prorate according to the percentage of ownership

190

Lump Sums

- One-time lump sums which are retained and verifiable
  - Inheritances, capital gains, lottery winnings, insurance settlements
  - Social Security, SSI, & VA disability lump sum payments

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Personal Property Held as an Investment

- Personal property held as an investment
  - Gems
  - Jewelry
  - Coin collections
  - Antique cars

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MPHA Policy
Personal Property Held as an Investment

- In determining the value of personal property held as an investment, MPHA will use the family's estimate of the value. MPHA may obtain an appraisal to confirm the value of the asset if there is reason to believe that the family's estimated value is off by $50 or more
- The family must cooperate with the appraiser but cannot be charged any costs related to the appraisal

193

Life Insurance

- Cash surrender value of life insurance policies available to the family
  - Find if has cash value, and interest and/or dividend income

194

Trusts

- Two types of trusts:
  - *Revocable trust* is a trust that the creator of the trust may amend or end (revoke) and has access to the funds
  - *Irrevocable trust* is a trust where the creator has no access to the funds in the account
    - Typically, special needs trusts are considered irrevocable

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MPHA Policy

- Revocable trust
  - If any member of a family has the right to withdraw the funds in a trust, the value of the trust is considered an asset
  - Any income earned as a result of investment of trust funds is counted as actual asset income, whether the income is paid to the family or deposited in the trust

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MPHA Policy

- Irrevocable trust
  - In cases where a trust is not revocable by, or under the control of, any member of a family, the value of the trust fund is not considered an asset
  - However, any income distributed to the family from such a trust is counted as a periodic payment or a lump-sum receipt, as appropriate.

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MPHA Policy: Jointly-Owned Assets

- If an asset is owned by more than one person:
  - Any family member has unrestricted access to the asset, MPHA will count the full value of the asset
    - A family member has unrestricted access to an asset when he or she can legally dispose of the asset without the consent of any of the other owners.
  - The family member does not have unrestricted access to the asset, MPHA will prorate the asset according to the percentage of ownership
- If no percentage is specified or provided for by state or local law, MPHA will prorate the asset evenly among all owners

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What Assets Do Not Include

- Personal property (not held as investment)
- Assets not accessible to the family
- Interest in Indian trust lands
- Value of a home being purchased through HCV homeownership program

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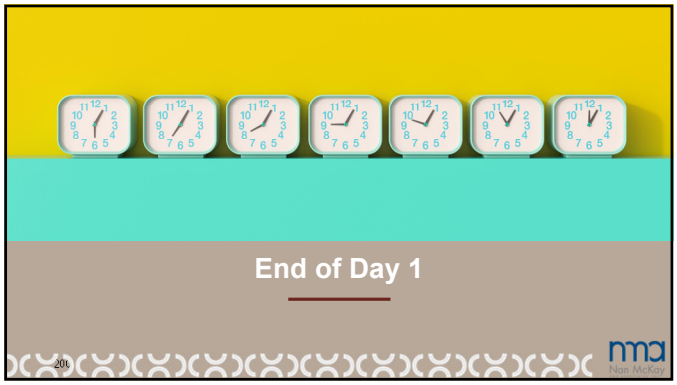

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