

Tenant Income Certification Instructions



INSTRUCTIONS

General Instructions: The purpose of this form is to enable reporting of federal low income housing tax credit data, but it has been adapted to allow use with the HOME and National Housing Trust Fund programs as well. The definitions for all fields are to be understood in that context. All fields below must appear on the state TIC. States are free to include other fields on their TICs that are designed to collect other data. 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 Other, designate the purpose of the recertification (i.e., a unit transfer, a change in household composition, or other state-required recertification).

- Move-in Date** Enter the date the tenant has or will take occupancy of the unit.
- Effective Date** Enter the effective date of the certification. For move-in, this should be the move-in date. For annual recertification, this effective date should be no later than one year from the effective date of the previous (re)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 (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.

Part II. Household Composition

Name: List first name, middle initial and last name of all occupants of the unit. For unborn child or pregnant household member, enter "unborn"

Relationship: 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

Race: Enter each household member's race by using one of the following coded definitions: 1 –White; 2 – Black/African American; 3 –American Indian/Alaska Native 4 – Asian; 5 –Native Hawaiian/Other Pacific Islander; 6 –Other; or 8 –tenant did not respond.

Ethnicity: Enter each household member's ethnicity by using one of the following coded definitions: 1 –Hispanic or Latino; 2 –not Hispanic or Latino; or 3 –tenant did not respond.

Disabled: Check yes ("Y"=yes; "N"=no"; or "NR"=Tenant did not respond if any member of the household is disabled according to the Fair Housing definition for handicap (disability) found at: http://www.fairhousing.com/index.cfm?method=page.display&pagename=regs_fhr_100-201

Date of Birth: Enter each household member's date of birth.

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S.S. Number For each tenant over 18 years of age, enter the last four digits of the social security number or the last four digits of the alien registration number. If tenant does not have an SSN or alien registration number, enter "0000".

If more than seven household members will reside in the unit, use the Tenant Income Certification Addendum.

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 obtained from each income source, enter the gross amount anticipated to be received for the 12 months from the effective date of the (re)certification. Complete a separate line for each income-earning member. List the respective household member number from Part II.

- 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, disability, etc.).
- Column (D) Enter the annual amount of alimony, child support, unemployment benefits, or any other income regularly received by the household.
- Line (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 obtained from each asset source, list the gross amount anticipated to be received during the 12 months from the effective date of the 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, multiply by 2% and enter the amount in (J), Imputed Income.

- Box (K) Enter the greater of the total in Column (I) or (J).
- Box (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 Tenant Income Certification (and Addendum, if necessary). For move-in, it is recommended that the Tenant Income Certification be signed no earlier than five (5) 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).
Current Income Limit per Family Size	Enter the Current Move-in Income Limit for the household size at the designated income limit for that unit.
Household Income at Move-In	For recertifications only. Enter the household income from the move-in certification.
Household Size at Move-In	For recertifications only. Enter the number of household members from the move-in certification.
Household Meets Income Restriction	Check the appropriate box for the income restriction that the household meets according to what is required by the minimum set-aside(s) for the project, including the specific unit designation for Average Income Test developments.
Current Income Limit x 140%	For recertifications only. Multiply the Current Maximum Move-in Income Limit by 140% and enter the total. Below, indicate whether the household income exceeds that total. If the Gross Annual Income at recertification is greater than 140% of the current income limit, then the available unit rule must be followed. For units designated at 50 percent or below in Average Income Test developments, use 60% limit for Current Income Limit.

Part VI. Rent

Tenant Paid Rent	Enter the amount the tenant pays toward rent (not including rent assistance payments such as Section 8).
Rental Assistance	Enter the amount of rent assistance, if any.
Rental Assistance Type	Enter the type (source) of rent assistance, if any.
Utility Allowance	Enter the utility allowance. If the owner pays all utilities, enter zero.
Other Non-Optional Charges	Enter the amount of non-optional charges, such as mandatory garage rent, storage lockers, charges for services provided by the development, etc.
Gross Rent for Unit	Enter the total of tenant paid rent plus utility allowance and other non-optional charges.
Maximum Rent Limit for This Unit	Enter the maximum allowable gross rent for the unit.
Unit Meets Rent Restriction at	Check the appropriate rent restriction that the unit meets according to what is required by the minimum set-aside(s) for the project, including the specific unit designation for Average Income Test developments.

Part VII. Student Status

LIHTC: Are all Occupants Full-Time Students? *If all household members are full-time students, check “yes”. Full-time status is determined by the school the student attends. If at least one household member is not a full-time student, check “no”.*

HOME/NHTF: Are any occupants students at an institute of higher learning? *If any household members are attending an institution of higher learning, check “yes.” If no household members attend an institution of higher learning, check “no”.*

Part VIII. Program Type

Mark the program(s) for which this household’s unit will be counted toward the property’s occupancy requirements. Under each program marked, indicate the household’s income status as established by this certification/recertification. If the property does not participate in the HOME Investment Partnerships (HOME) program, Tax-Exempt Housing Bond, Housing Trust Fund (HTF), or other housing program, leave those sections blank.

LIHTC	Low Income Housing Tax Credit – This is the election made on Line 8b of IRS Form 8609 See Part V above.
LIHTC Agency Covenants	Low Income Housing Tax Credit – This is any additional income/rent targets found in the project LURA in Section 5.
HOME	If the property receives financing from the HOME program and the unit this household will occupy will count toward the HOME program set-asides, mark the appropriate box indicating the household’s income designation for purposes of HOME.
Tax Exempt Housing Bond	If the property receives financing from the tax-exempt Housing Bond program, mark the appropriate box indicating the household’s income designation for purposes of the Housing Bond program.
National Housing Trust Fund (NHTF)	If the property receives financing from HTF and this household’s unit will count towards the HTF set-aside requirements, mark the appropriate box indicating the household’s income designation for purposes of HTF.
Other	If the property participates in any other affordable housing program, complete the information as appropriate.

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 Tenant 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 tax credit compliance.

These instructions should not be considered a complete guide on tax credit, HOME or NHTF compliance. The responsibility for compliance with federal program regulations lies with the owner of the building(s) for which the credit is allowable.