



Updated: December 2017

Department of Health, Housing  
& Community Services

## **INCOME ELIGIBILITY DETERMINATION**

### **Acceptable Source Documents**

Source documents are written documentation, generated by a third party (such as an employer) that verifies the income sources that the applicant reports.

Acceptable source documents include:

- Wage statements for approximately the last three (3) consecutive pay periods.
- Unemployment compensation statements, pensions, financial aid, disability, Social Security, and other forms of periodic non-wage income.
- Third party verifications from employers, banks or others with first-hand information about the applicant's finances. These verifications should be in writing, and can include documented telephone interviews.
- Prior year tax returns including W-2s.
- *For self-employed applicants*, an income and expense statement (net income from the operation of a business or profession is counted towards household income) and last two years tax returns.

### **Assets (also included in calculation of income)**

The owner's representative must submit two (2) months of the applicant's bank statements to the City to review asset calculations. In addition, the owner's representative is responsible for verifying asset information from all sources listed below.

The income from assets will be added to the income. If the total cash value of household's net assets exceeds \$5,000, then the imputed income from assets for the following year would be calculated as follows: the greater of the actual income derived from all net household assets or Total Cash Value of assets multiplied by .06% (current passbook savings rate as determined by HUD).

Assets include, but are not limited to, the following:

- Cash held in savings and checking accounts, safe deposit boxes, homes, etc.

- For savings accounts, report current balance. For checking accounts, use the average balance for the last two (2) months.
- Revocable Trusts. Include the cash value of any revocable trust available to the family.
- Stocks, bonds, Treasury bills, certificates of deposit, mutual funds, money market accounts.
- Individual retirement, 401k accounts. Included when holder has access to the funds. (Do not count withdrawals as income).
- Retirement and pension funds. Periodic receipts from pension and retirement funds are counted as income. Lump-sum receipts from pension and retirement funds are counted as assets.
- Cash value of life insurance policies available to the individual before death (excluding value of term insurance, which has no cash value to the individual before death).
- Lump sum receipts or one-time receipts, such as inheritances, settlements on insurance claims, one-time lottery winnings, etc.