

APPENDIX 13

SAMPLE FORMAT FOR CALCULATING ANNUAL AND ADJUSTED INCOME AND TENANT PAYMENT

CASE STUDY ON CALCULATING ANNUAL AND ADJUSTED INCOME AND TENANT PAYMENT

SAMPLE FORMAT FOR CALCULATING ANNUAL AND ADJUSTED INCOME AND TENANT PAYMENT

PART 1. SUMMARY OF FAMILY INCOME DATA

1. Name

2. Identification

ASSETS

Family Member	Asset Description	Current Cash Value	Income from Assets
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3. Total Net Family Assets 3.
4. Total Actual Asset Income..... 4.
5. If line 3 is greater than \$5,000, multiply line by - (Passbook Rate) and enter result here; otherwise, leave blank. 5.

ANTICIPATED ANNUAL INCOME

Family Member	a. Wages/ Salaries	b. Benefits/ Pensions	c. Public Assistance	d. Other Income	e. Asset Income
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Enter in e the
greater of
lines 4 or 5
from above.

6. Totals a. b. c. d. e.
7. Enter total of items from 6a. through 6e. This is Annual Income. 7.

-- SAMPLE --

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PART II. CALCULATING ADJUSTED INCOME

8. Annual Income (from line 7). 8.
9. Number of family members (except head or spouse) under 18, disabled, handicapped, or full-time students. 9.
10. Multiply line 9 by 480. 10.

11.	Excessive Travel Expense	11.
12.	Child care deduction (reasonable expenses for children age 12 and under). [If family has Handicap Assistance Expenses or qualified as an elderly family, proceed to line 13; otherwise, skip to line 21.]	12.
13.	Enter Handicap Assistance Expense.	13.
14.	Multiply line 8 by 0.03.	14.
15.	Subtract line 14 from line 13, if negative, enter 0.	15.
16.	Enter amount earned by family member enabled to work as a result of Handicap Assistance Expenses.	16.
17.	Enter the lesser of lines 15 or 16. This is the Handicap Assistance Allowance.	17.
FILL IN LINES 18 THROUGH 20 FOR ELDERLY FAMILIES ONLY.		
18.	Enter total medical expenses.	18.
19.	Allowable medical expenses: . If the household reported no expenses in line 13, enter line 18 minus line 14. . If the household reported expenses in line 13, but line 15 is zero, enter line 18 minus (line 14 minus 13). . If the household reported expenses in line 13 and line 15 is greater than zero, enter line 18.	19.
20.	Enter \$400	20.
21.	Add lines 10, 11, 12, 17, 19, and 20.	21.
22.	Subtract line 21 from line 8. This is Adjusted Income.	22.
	-- SAMPLE --	Appendix 13

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PART III. CALCULATING TTP AND TENANT RENT

23.	30% of Monthly Adjusted Income (line 22 + 12) x 0.30).	23.
24.	10% of Gross Monthly Income (line 8 + 12) x 0.10).	24.
25.	Welfare Rent -- if applicable.	25.

26. Minimum Rent	26.
27. TOTAL TENANT PAYMENT (greater of lines 23, 24, 25, or 26).	27.
28. Utility Allowance.	28.
29. Tenant Rent (line 27 minus line 29). If line 29 is greater than line 27, enter zero, and enter the difference in line 32.	29.
30. Utility Reimbursement to Tenant (line 29 minus line 27 only if line 29 is greater than line 27).	30.

IHAs with ceiling rents should complete the steps below:

31. Ceiling Rent (if line 29 is less than or equal to the ceiling rent, then stop here.)	31.
32. Adjusted Tenant Rent (the lesser of line 29 or line 31)	32.
33. Adjusted TTP (line 28 plus line 32)	33.

-- SAMPLE --

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CASE STUDY ON CALCULATING ANNUAL AND ADJUSTED INCOME AND TENANT PAYMENT

The Whitefeather family -- Don (head of household), age 40, Rose (spouse), age 39, their daughter Mary, age 17, and their son David, age 10 -- are applying for IHA housing.

The IHA has a minimum rent of \$25 and for a three-bedroom unit, a ceiling rent of \$150 and utility allowance of \$50.

Their Assets

The Whitefeathers have \$1000 in a savings account that earns 3.2% annually.

They also have a noninterest bearing checking account that has an average 6-month balance of \$970.

The HUD Passbook Rate is 3.5%.

Their Income

Don works in construction and earns \$675 a month.

Rose is attending school at the local community college.

Mary works part-time at the Tourist Center for 20 hours/week at \$3.85 an hour. She also gets a 20% discount on all merchandise.

The family receives \$25 a month child support from David's father.

Their Expenses

Childcare for David while Rose is at school and before Don comes home from work -- \$45/month

Medical Insurance -- \$125

Travel Expenses to work -- \$30/month

The worksheet below shows how to calculate the Whitefeathers' annual and adjusted income and their rent.

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CASE STUDY ON CALCULATING ANNUAL AND ADJUSTED INCOME AND TENANT PAYMENT

PART 1. SUMMARY OF FAMILY INCOME DATA

1. Name	2. Identification
Don and Rose Whitefeather	xxx-xx-xxxx

ASSETS

Family Member	Asset Description	Current Cash Value	Income from Assets
Don and Rose	Savings Account	\$1,000	\$32
Don and Rose	Checking Account	\$ 970	\$ 0
3.	Total Net Family Assets	3.	\$1,970
4.	Total Actual Asset Income.....	4.	\$32
5.	If line 3 is greater than \$5,000, multiply line by _____ (Passbook Rate) 5. --- and enter result here; otherwise, leave blank.		

ANTICIPATED ANNUAL INCOME

Family Member	a. Wages/ Salaries	b. Benefits/ Pensions	c. Public Assistance	d. Other Income	e. Asset Income
Don	\$8,100				
David					Enter the \$300 greater of lines 4 or 5 from above in e.
6. Totals	a. \$8,100	b.	c.	d. \$300	e. \$ 32

7. Enter total of items from 6a. through 6e. This is Annual Income.	7. \$8,432
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PART II. CALCULATING ADJUSTED INCOME

8. Annual Income (from line 7).	8. 8,432
9. Number of family members (except head or spouse) under 18, disabled, handicapped, or full- time students.	9. 2
10. Multiply line 9 by 480.	10. 960
11. Excessive Travel Expense	11. 360
12. Child care deduction (reasonable expenses for children age 12 and under). [if family has Handicap Assistance Expenses or qualified as an elderly family, proceed to line 13; otherwise, skip to line 21.]	12. 540
13. Enter Handicap Assistance Expense.	13. N/A
14. Multiply line 8 by 0.03.	14. N/A
15. Subtract line 14 from line 13, if negative, enter 0.	15. N/A
16. Enter amount earned by family member enabled to work as a result of Handicap Assistance Expenses.	16. N/A
17. Enter the lesser of lines 15 or 16. This is the Handicap Assistance Allowance.	17. N/A
FILL IN LINES 18 THROUGH 20 FOR ELDERLY FAMILIES ONLY.	
18. Enter total medical expenses.	18. N/A
19. Allowable medical expenses:	
. If the household reported no expenses in line 13, enter line 18 minus line 14.	
. If the household reported expenses in line 13, but line 15 is zero, enter line 18 minus (line 14 minus 13).	
. If the household reported expenses in line 13 and line 15 is greater than zero, enter line 18.	19. N/A
20. Enter \$400	20. N/A
21. Add lines 10, 11, 12, 17, 19, and 20.	21. 1,860
22. Subtract line 21 from line 8. This is Adjusted Income.	22. 6,572

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23.	30% of Monthly Adjusted Income (line 22 + 12) x 0.30).	23.	164
24.	10% of Gross Monthly Income (line 8 @ 12) x 0.10).	24.	211
25.	Welfare Rent - If applicable.	25.	N/A
26.	Minimum Rent	26.	25
27.	TOTAL TENANT PAYMENT (greater of lines 23, 24, 25, or 26).	27.	211
28.	Utility Allowance.	28.	50
29.	Tenant Rent (line 27 minus line 29). If line 29 is greater than line 27, enter zero, and enter the difference in line 32.	29.	161
30.	Utility Reimbursement to Tenant (line 29 minus line 27 only if line 29 is greater than line 27).	30.	---
IHAs with ceiling rents should complete the steps below:			
31.	Ceiling Rent (if line 29 is less than or equal to the ceiling rent, then stop here.)	31.	150
32.	Adjusted Tenant Rent (the lesser of line 29 or line 31)	32.	150
33.	Adjusted TTP (line 28 plus line 32)	33.	200

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