

ATTENTION!!

CERTIFICATIONS EFFECTIVE BEGINNING JANUARY 1, 2027!



HUD published the HOTMA Final Rule in the Federal Register. This new rule changes several important policies and definitions within our programs. You are receiving this notice because your household participates in one of the affected programs. If you need this information in another language, please let your housing specialist know.

Si necesita esta informacion en otro idioma, por favor informe a su especialista de vivienda.

إذا كنت بحاجة لهذه المعلومات في لغة أخرى، الرجاء إبلاغ أخصائي الإسكان الخاص بك.

Summary of Major Changes*

Subject to Change Annually by HUD:

- Annual deductions for dependents & elderly households;
- Medical expenses threshold;
- Asset limit & asset imputed cash value threshold; and,
- Passbook Savings Rate

Assets:

- When assets are more than \$54,898 and their income can't be verified, the Passbook Savings Rate of 0.38% will be used to calculate income.
- When assets are less than \$54,898, we can accept a self-certification of value and income (subject to verification every 3 years).

Deductions to Annual Income:

- The annual deduction for each dependent child increases from \$480 to \$525.
- The annual deduction for an elderly or disabled household increases from \$400 to \$575.
- The Medical Expense threshold changes from 3% to 10% of annual income.

Interim Recertifications / Changes:

"Timely" reporting is still considered 30-days from the start of the change and must be made in writing!

- Decreases in income less than 10% of the household's adjusted income will not be processed.
- Increases in unearned income of less than 10% of the household's adjusted income will not be processed. Examples: Child Support, Unemployment, Social Security, SSI, etc.
- Increases in earned income will **only** be processed when: 1) the increase is at least 10% of the household's adjusted income & 2) An interim decreasing the household's income was done since the last annual. Examples: Employment, Self-Employment, etc.
- If an increase to earned or unearned income occurs during the 90-day period before an annual recertification is due and is reported within 30-days of it starting, a separate interim recertification will not be processed.
- All changes to household composition must be reported and an interim processed.

Annual Recertifications

- The income increases and decreases that happened in the last year that were not subject to interim processing will be required to be reported and verified at the annual recertification.
- Income at Recertification will be calculated by reviewing the **LAST** 12 months of income in most cases. This may be done by using a Safe Harbor verification, reviewing wages from the Enterprise Income Verification System, or other methods. If the family disagrees, third-party verification will be completed.



**Stay up to date on your
recertifications, tenant portion
and income.**

**If you have questions,
please contact your
housing specialist.**

**These policies will be applied to all certifications effective 1/1/2027 and later. This information is meant to be an overview of certain changes due to HOTMA. It does not include all changes or details. Please see the resources provided for more information or contact the Appleton Housing Authority.*