

FREQUENTLY ASKED QUESTIONS:

QUESTION #1:

Is it a new rule that you must list an item on the TIC as an asset even if it does not have any cash value? It was my understanding that if there was no cash value, it was not considered a current asset to the resident for Tax Credit purposes. Also, would this apply to a 401k that they couldn't withdraw from while employed or to a Safe Deposit Box with only legal papers inside?

RESPONSE:

Any asset that the applicant/resident has access to MUST be listed on the TIC and documented in the file regardless of the value.

QUESTION #2:

I found on a Senior property that shortly after the resident had moved into said property the applicants house sold. At recertification, the real estate closing statement showed that the resident received \$80,000 cash from the sell of the house. If there were no additional assets or money invested in the initial asset from the initial qualification at recertification, shouldn't the amount be counted for 2 years? Shouldn't the amount be tracked with a self affidavit from the resident? Or should it be handled differently?

RESPONSE:

"If there were any proceeds from the sale under either condition and those proceeds were placed into an asset account, then the cash value must be verified and the income that the asset is currently producing will be treated as asset income to the resident. If any of the proceeds were given away or contributed to persons not living in the unit, HUD says that those amounts exceeding \$1,000 must also be considered as a disposed of asset for 2 years from the date of the gift or contribution."

When discovered, you should ask the household what they did with the proceeds. If any of the proceeds were placed into an asset account (new or existing), you verify that asset for cash value and income. If they gave any of the proceeds away (more than \$1,000) in any form, you would also consider this amount a disposed of asset. In addition, you should ask the resident to self-certify what they did with the remaining funds. If they spent the money on themselves and it is gone, it is no longer considered an asset.

QUESTION #3:

If an applicant states that they will be going to work during the certification period, but does not know what or where they will be working – do we have to include any income?

RESPONSE:

Yes, all anticipated and current income must be included during the certification period to qualify a household.