



**Planning & Zoning Office**  
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### ***HOTMA***

The Housing Opportunity Through Modernization Act of 2016 (HOTMA) Final Income Rule updated HUD regulations for various programs specific to the criteria of reviewing the income and assets of HUD assisted families. HOTMA income and asset requirements also set a limit on the amount and type of assets that assisted families may have, revised the definition of net family assets, and required that applicants for and recipients of assistance provide authorization to Public Housing Agencies (PHAs) to obtain financial records. This resource inventory provides guidance to both PHAs and assisted families on these changes.

### ***Asset Restrictions***

There are now two asset restrictions that can make a family ineligible to participate:

- The family's net assets exceed \$100,000 (amount will be adjusted annually by HUD).
- The family has real property that is suitable for occupancy by the family.

### ***Consent Forms***

Adults will now only need to sign consent form HUD-9886 once, instead of annually.

Family members turning 18 will be required to sign at the family's next annual reexamination.

### ***Family Deductions***

Dependent and elderly/disabled family deductions will be adjusted annually for inflation. When adjusted, the new amounts will apply to a family's next annual or interim reexamination.

- Dependent deduction will start at \$480 (no change)
- Elderly/Disabled deduction will start at \$525 (was \$400)
- The threshold for deducting unreimbursed medical and disability care expenses is increasing from 3% of annual income to 10% of annual income.
- Phased-in relief for the increased threshold will be provided to all families who received medical/disability care deductions as of January 1, 2024 over a period of 24 months, beginning at the family's next reexamination.
- The threshold will be 5% at the first reexamination processed after our PHA becomes HOTMA compliant January 1, 2025.
- 12 months after the 5% threshold was established, the threshold will increase to 7.5%.
- After the family has completed 24 months of phase-in at the increasing thresholds, the family's threshold will increase to 10%.

### ***Enterprise Income Verification***

Enterprise Income Verification (EIV) and Self-Certification can now be used to verify income.

### ***Interim Income Increases***

Interim income increases for earned income will not be conducted.