

DOCUMENTATION OF INCOME

The following documents shall be provided, where applicable, to the Administrator to determine income eligibility. Please use this form as a checklist and indicate which forms :

1. Employment Income. Verification forms must request the employer to specify the frequency of pay, the effective date of the last pay increase, and the probability and effective date of any increase during the next twelve (12) months. Acceptable forms of verification (of which at least one must be included in the Applicant file) include:

- a. An employment verification form completed by the employer.
- b. Check stubs or earning statement showing Applicant's gross pay per pay period and frequency of pay.
- c. W-2 forms if the Applicant has had the same job at least two years and pay increases can be accurately projected.
- d. Notarized statements, affidavits or income tax returns signed by the Applicant describing self-employment and amount of income, or income from tips and other gratuities.

2. Social Security, Pensions, Supplementary Security Income, Disability Income.

- a. Benefit verification form completed by agency providing the benefits.
- b. Award or benefit notification letters prepared and signed by the authorizing agency. (Since checks or bank deposit slips show only net amounts remaining after deducting SSI or Medicare, they may be used only when award letter cannot be obtained.)
- c. If a local Social Security Administration (SSA) office refuses to provide written verification, the Administrator should meet with the SSA office supervisor. If the supervisor refuses to complete the verification forms in a timely manner, the Administrator may accept a check or automatic deposit slip as interim verification of Social Security or SSI benefits as long as any Medicare or state health insurance withholdings are included in the annual income.

3. Unemployment Compensation.

- a. Verification form completed by the unemployment compensation agency.
- b. Records from unemployment office stating payment dates and amounts.

4. Government Assistance.

- a. All Government Assistance Programs. Agency's written statements as to type and amount of assistance Applicant is now receiving, and any changes in assistance expected during the next twelve (12) months.

- b. Additional Information for “As-Paid” Programs: Agency’s written schedule or statement that describes how the “as-paid” system works, the maximum amount the Applicant may receive for shelter and utilities and, if applicable, any factors used to ratably reduce the Applicant’s grant.
5. Alimony or Child Support Payments.
- a. Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.
 - b. A letter from the person paying the support
 - c. Copy of latest check. The date, amount, and number of the check must be documented.
 - d. Applicant’s notarized statement or affidavit of amount received or that support payments are not being received and the likelihood of support payments being received in the future.
6. Net Income from a Business. The following documents show income for the prior years. The Administrator must consult with Applicant and use the data to estimate income for the next twelve (12) months.
- a. IRS Tax Return, Form 1040, including any:
 - (i) Schedule C (Small Business);
 - (ii) Schedule E (Rental Property Income); or
 - (iii) Schedule F (Farm Income).
 - b. An accountant’s calculation of depreciation expense, computed using straight-line depreciation rules. (Required when accelerated depreciation was used on the tax return or financial statement.)
 - c. Audited or unaudited financial statement(s) of the business.
 - d. A copy of a recent loan application listing income derived from the business during the previous twelve (12) months.
 - e. Applicant’s notarized statement or affidavit as to net income realized from the business during previous years.
7. Recurring Gifts.
- a. Notarized statement or affidavit signed by the person providing the assistance. Must give the purpose, dates and value gifts.
 - b. Applicant’s notarized statement or affidavit that provides the information above.
8. Scholarships, Grants, and Veterans Administration Benefits for Education.

- a. Benefactor’s written confirmation of amount of assistance, and educational institution’s written confirmation of expected cost of the student’s tuition, fees, books and equipment for the next (12) months. To the extent the amount of assistance received is less than or equal to actual educational costs. The assistance payments will be excluded from the Applicant’s gross income. Any excess will be included in income
- b. Copies of latest benefits checks, if benefits are paid directly to student. Copies of canceled checks or receipts for tuition, fees, books, and equipment, if such income and expenses are not expected to be changed for the next twelve (12) months.
- c. Lease and receipts or bills for rent and utility costs paid by students living away from home.

9. Family Assets Currently Held. For non-liquid assets, collect enough information to determine the current cash value (i.e., the net amount the Applicant would receive if the asset were converted to cash)

- a. Verification forms, letters, or documents from a financial institution, broker, etc.
- b. Passbooks, checking account statements, certificates of deposit, bonds, or financial statement completed by a financial institution or broker.
- c. Quotes from a stock broker or realty agent as to net amount Applicant would receive if Applicant securities or real estate.
- d. Real estate tax statement if tax authority uses approximate market value.
- e. Copies of closing documents showing the selling price, the distribution of the sales proceeds and the net amount to the borrower
- f. Appraisals of personal property held as an investment.
- g. Applicant’s notarized statements or signed affidavits describing assets or verifying the amount of cash held at the Applicant’s home or in safe deposit boxes.

10. Assets Disposed of for Less Than Fair Market Value(“FMV”) During Town Years Preceding Application Date.

- a. Applicant’s certification as to whether it has disposed of assets for less than FMV during the two (2) years preceding the Application Date.
- b. If the Applicant states that it did dispose of assets for less than FMV, then a written statement by the Applicant must include the following:
- c. Quotes from a stock broker or realty agent as to net amount Applicant would receive if Applicant liquidated securities or real estate.

- d. Real estate tax statements if tax authority uses approximate market value.
- e. Copies of closing document showing the selling price, the distribution of the sales proceeds and the net amount to the borrower.
- f. Appraisals of personal property held as an investment.
- g. Applicant's notarized statements or signed affidavits describing assets or verifying the amount of cash held at the Applicant's home or in safe deposit boxes.

11. Savings Account Interest and Dividends.

- a. Account statements, passbooks, certificates of deposit, etc., if they show enough information and are signed by the financial institution.
- b. Broker's quarterly statements showing value of stocks or bonds and the earning credited the Applicant.
- c. If an IRS Form 1099 is accepted from the financial institution for prior year earnings, the Administrator must adjust the information to project earning expected for the next twelve (12) months.

12. Rental Income from Property Owned by Applicant. The following, adjusted for changes expected during the next twelve (12) months, may be used:

- IRS Form 1020 with Schedule R (Rental Income).
- Copies of latest rent checks, leases, or utility bills.
- Documentation of Applicant's income and expenses in renting the property (tax statements, insurance premiums, receipts for reasonable maintenance and utilities, bank statements or amortization schedule showing monthly interest expense).
- Lessee's written statements identifying monthly payments due the Applicant and Applicant's affidavit as to net income realized.

13. Full-Time Student Status.

- a. Written verification from the registrar's office or appropriate school official.
- b. School records indicating enrollment for sufficient number of credits to be considered a full-time student by the school.