



February 2023

**Tenant/Cooperator Instructions for Completion of  
Affidavit of Household Income — Calendar Year 2022**  
**Please Note: Notary is Required for 2022 Income Affidavits.**

Under the New York State Private Housing Finance Law, this development has been given a subsidy that makes it possible for tenants/cooperators, whose incomes are within the maximum income limits set by law, to pay below market rents/carrying charges. The law requires that we examine your income once each year to determine eligibility for continued occupancy. If your adjusted household income exceeds the maximum income limit by more than 5 percent, a surcharge will be added to your rent.

The assessment of a surcharge, if any, will be effective **July 1, 2023** through **June 30, 2024** in accordance with the Surcharge Schedule on page 4 of these instructions. If you wish to calculate your surcharge, a Worksheet for Determination of Surcharge is provided on page 5.

Please cooperate in the review process by providing information no later than **April 30, 2023**. The failure, neglect or refusal of a tenant/cooperator to furnish information concerning his income or that of any member of the household, or to cooperate in the verifying of such reported income, will be assumed to indicate excess income. In such cases, rent will be raised to maximum in surcharge schedule; however, upon submission of an affidavit of income and/or proper documentation, surcharges, if any, will be assessed on the basis of verified income, with the effective date of any rent change to be the first of the month following the month in which the affidavit of income and/or proper documentation had been filed with the housing company. In no event will credit be given for excess surcharges already assessed as a result of failure, neglect or refusal of the tenant/cooperator to cooperate in income determination as set forth in §1727-2.6(a) of the New York Codes, Rules and Regulations.

**A \$50 Non-Refundable Administrative Fee** may be imposed on **Tenant/Cooperators** who have **NOT** submitted their Fully Completed Income Affidavit to management by April 30<sup>th</sup>.

If you have questions, or need assistance in completing the attached form, please call the management office **at your development**.

**Income information shown on the Occupants' Annual Affidavit of Household Income is subject to verification by the New York State Department of Taxation and Finance in accordance with provisions of Section 171-b of the Tax Law.**

**Upon proper verification of income, if it is determined that the tenant or cooperator, or any household member, willfully misrepresented any information, then the housing company shall calculate surcharges in accordance with the surcharge schedule and assess such surcharge, as rent, each month, retroactive to the initial month in which the surcharge should have been paid. A housing company shall charge such tenant or cooperator a fee of \$150 in payment for the expenditure of housing company time and labor incurred to determine the true income of the tenant or cooperator.**

**[§1727-2.6(b)]**

**In no case shall the housing company waive the provisions of subdivisions (a) through (c) of this section.**

**[§1727-2.6(d)]**

**READ ALL INSTRUCTIONS CAREFULLY**

Please type or print clearly using **blue or black ink only**. Complete two (2) copies of the attached income affidavit and return one (1) notarized copy to the managing agent/housing company by April 30, 2023. Retain the second notarized copy for your records.

A fillable income affidavit is available on our website to type in required information and print it out to be signed and notarized. This method is preferred to prevent illegible submissions that would require further verification.

Enter link into a web browser to retrieve Income Affidavit (HM-73) form. <https://hcr.ny.gov/mitchell-lama-tenant-and-shareholder-information>

1. **HEADING:** Fill in the **Last Name** of head of household, apartment number, and day-time telephone number.
2. **SECTION A: HOUSEHOLD INFORMATION**

***Important Note for Married Occupants Who Filed a Joint NYS Income Tax Return:***

- The "Joint Return" column must be checked for both joint filers.
- The sum of the gross income reported for each joint filer must equal the amount reported on line 19 or 19a of form IT-201, or line 19 or 19a of form IT-203.
- If a joint filer is not listed on line A1 as "Head of Household" and is gainfully employed, his/her wages should be listed separately so the secondary wage earner's deduction can be calculated.

**A1 through A6 —**

Enter the name (last name, first name), relationship, age, and social security number of each person presently residing in the apartment and indicate whether he/she is employed. For each person listed, check the type of New York State income tax return filed ("Joint" or "Individual") or "None."

In the column labeled "Gross Income" enter the amount shown on **line 19 or line 19a (if applicable) on NYS tax form IT-201, or line 19 or line 19a on form IT-203**. If an extension of time to submit a NYS return was requested, check "No Return Filed" and enter occupant's estimated income. If no NYS return was filed, enter total income received during the previous calendar year from all sources. **If occupant had no income enter "0"**.

**A7 — Enter the total gross income of all household members.**

3. **SECTION B: DEDUCTIONS**

**B1** Enter the number of "**Dependent Exemptions**" taken by all occupants who filed NYS income tax returns. Dependent Exemptions are reported on line 36 of form IT-201, and line 35 of form IT-203.

**B2** Enter the number of occupants **who have filed a NYS return and were not claimed as a dependent by another taxpayer**.

- B3** Enter the total of lines B1 and B2.
- B4** Enter amount of "Medical and Dental Expenses" **only if the itemized deduction is taken on the NYS Return** — as reported on form IT-196, Line 1 NY Resident, Nonresident, and Part-Year Resident Itemized Deductions.
- B5** Enter amount of "Taxable Social Security Benefits" reported on line 15 of form IT-201 or IT-203; if a NYS return was not filed, enter total amount of Social Security benefits.
- B6** Add lines B3, B4, and B5.

- 4. **SECTION C: DEPOSITION** — Each occupant 18 years of age or older must sign the affidavit in the presence of a Notary Public.
- 5. **By April 30, 2023**, return the original and one (1) copy of the completed income affidavit to the address stated in the upper right-hand corner of the affidavit. **Retain a notarized copy of the affidavit for your file. *DO NOT* mail the affidavit to New York State Division of Housing and Community Renewal.**

## Supporting Documentation

Supporting documentation must be submitted with your income affidavit in the following instances:

- 1. If Medical and Dental Expenses (line B4) or Taxable Social Security Benefits (line B5) are claimed, they must be substantiated by a copy of a filed NYS tax form.
- 2. If the total number of Dependent Exemptions and Personal Exemptions (entered on line B3) is greater than the number of household members, the dependent exemptions must be substantiated by a copy of a filed NYS tax form.
- 3. If an occupant 18 years of age or older *does not provide a social security number or did not file a NYS tax return*, income verification is required as follows:
  - If an income tax return was filed, a copy of either the NYS or federal return must accompany the affidavit, and a certified copy must be submitted to the management office by July 31, 2023.
  - If an income tax extension request was filed, a copy of either the NYS or federal extension request must accompany the affidavit and a certified copy of the income tax return must be submitted to the management office by November 30, 2023.
  - If no income tax return or extension request was filed, written verification of income must accompany the affidavit.

**If you have a question concerning documentation requirements, please contact your management office.**

## Interim Changes to Reduce or Remove Surcharges

You are entitled to an income reexamination to reduce or remove surcharges, if required, should any of the following circumstances occur:

- tenant or household member is placed upon public assistance;
- a full-time employed household member permanently leaves the apartment;
- death or retirement of a household member who had income; or
- unemployment of a household member which has been continuous for at least three months.

[§1727-2.5(b)]

The housing company must also be notified in writing, within 90 calendar days, of any additions to or deletions from the tenant's household who reside in the apartment, or persons who for a period of 30 days or more occupy the apartment, and such changes should be reflected on subsequent affidavits of income.

[§1727-3.5]

### **SURCHARGES**

- If a new surcharge has been assessed for 2022, the new assessed surcharge will begin July 1, 2023.

<b>SURCHARGE SCHEDULE</b>		
<b>If Net Income / Maximum Income is:</b>		<b>Surcharge (In Percent of Rent or Carrying Charge for Apartment) will be:</b>
<b>greater than</b>	<b>but not in excess of</b>	
<b>100%</b>	<b>105%</b>	<b>None</b>
<b>105%</b>	<b>110%</b>	<b>5%</b>
<b>110%</b>	<b>115%</b>	<b>10%</b>
<b>115%</b>	<b>120%</b>	<b>15%</b>
<b>120%</b>	<b>125%</b>	<b>20%</b>
<b>125%</b>	<b>130%</b>	<b>25%</b>
<b>130%</b>	<b>135%</b>	<b>30%</b>
<b>135%</b>	<b>140%</b>	<b>35%</b>
<b>140%</b>	<b>145%</b>	<b>40%</b>
<b>145%</b>	<b>150%</b>	<b>45%</b>
<b>150%</b>	<b>—</b>	<b>50%</b>

[§1727-4.1(d)]

## WORKSHEET FOR DETERMINATION OF SURCHARGE

### — RENTAL —

<b>A. ANNUAL RENT</b> The base rent including gas and electricity, less surcharges and any charges for appliances, parking etc., multiplied by 12.	\$	
<b>B. MAXIMUM INCOME LIMIT</b> If household consists of less than 4 persons, multiply line A by 7. If household consists of 4 or more persons, multiply line A by 8.		\$
<b>C. HOUSEHOLD INCOME</b> Amount from line A7 of income affidavit.		\$
<b>D. DEPENDENT EXEMPTIONS</b> Amount from line B1 of income affidavit.	\$ ,000	
<b>E. ALLOWANCE FOR PERSONAL EXEMPTIONS</b> Amount from line B2 of income affidavit.	\$ ,000	
<b>F. MEDICAL AND DENTAL EXPENSES</b> Amount from line B4 of income affidavit.	\$	
<b>G. TAXABLE SOCIAL SECURITY BENEFITS</b> Amount from line B5 of income affidavit.	\$	
<b>H. SECONDARY WAGE EARNER DEDUCTION *</b> A \$20,000 deduction, or the exact amount of earnings if less, is allowed <b>for each secondary wage earner</b> . Enter the total household deduction here.	\$	
<b>I. TOTAL DEDUCTIONS</b> Add lines D, E, F, G, and H.		\$
<b>J. NET HOUSEHOLD INCOME</b> Line C minus line I.		\$

If line J does not exceed line B, you are not subject to surcharge. If it does, divide line J by line B and refer to the Surcharge Schedule on page 4 to find the corresponding surcharge percent.

\* **Secondary Wage Earner** — Any gainfully employed member of the household, including minors under the age of 21, other than the head of household. The head of household is defined as the person who is legally or morally responsible for dependents in the household, whose income is generally from employment or self-employment and usually exceeds income of any other household member. It is not necessary for the head of household to be gainfully employed for another household member to qualify as a secondary wage earner.



## WORKSHEET FOR DETERMINATION OF SURCHARGE

### — COOPERATIVE —

<b>A. ANNUAL CARRYING CHARGE</b> The base carrying charge including gas and electricity, less surcharges and any charges for appliances, parking etc. multiplied by 12.	\$	
<b>B. CURRENT EQUITY INVESTMENT</b> \$_____ X 6% (6% of Equity Investment DOES NOT Include Accrued Amortization)	\$	
<b>C. REDECORATION AND REPLACEMENT</b> Number of rental rooms in your apartment X \$120.	\$	
<b>D. TOTAL of lines A, B, and C.</b>		\$
<b>E. MAXIMUM INCOME LIMIT</b> If household consists of less than 4 persons, multiply line D by 7. If household consists of 4 or more persons, multiply line D by 8.		\$
<b>F. HOUSEHOLD INCOME</b> Amount from line A7 of income affidavit.		\$
<b>G. DEPENDENT EXEMPTIONS</b> Amount from line B1 of income affidavit.	\$ ,000	
<b>H. ALLOWANCE FOR PERSONAL EXEMPTIONS</b> Amount from line B2 of income affidavit.	\$ ,000	
<b>I. MEDICAL AND DENTAL EXPENSES</b> Amount from line B4 of income affidavit.	\$	
<b>J. TAXABLE SOCIAL SECURITY BENEFITS</b> Amount from line B5 of income affidavit.	\$	
<b>K. SECONDARY WAGE EARNER DEDUCTION *</b> A \$20,000 deduction, or the exact amount of earnings if less, is allowed for each secondary wage earner. Enter the total household deduction here.	\$	
<b>L. TOTAL DEDUCTIONS</b> Add lines G, H, I, J, and K.		\$
<b>M. NET HOUSEHOLD INCOME</b> Line F minus line L.		\$

If line M does not exceed line E, you are not subject to surcharge. If it does, divide line M by line E and refer to the Surcharge Schedule on page 4 to find the corresponding surcharge percent.

\* Secondary Wage Earner — Any gainfully employed member of the household, including minors under the age of 21, other than the head of household. The head of household is defined as the person who is legally or morally responsible for dependents in the household, whose income is generally from employment or self-employment and usually exceeds income of any other household member. It is not necessary for the head of household to be gainfully employed for another household member to qualify as a secondary wage earner.





## NYS DHCR Frequently Asked Questions Re: Income Affidavits

- **What are my responsibilities with respect to reporting my income?**

All tenants/shareholders in DHCR supervised Mitchell-Lama developments are required to report their income, and the income of all household members, annually and to comply with housing company requests for documentation. Tenants in federally-assisted developments are subject to HUD's annual income re-certification requirements. Tenants in non-federally-assisted developments are subject to DHCR's annual income review procedure.

- **I had medical and dental expenses last year, but I did not itemize my deductions. Can I still claim the medical and dental expenses on line B4 of my income affidavit?**

**No.** In order to claim Medical and Dental expenses on line B4 of your income affidavit, you must have itemized your deductions as reported on your ***NYS IT-196 New York Resident, Nonresident, and Part-Year Resident Itemized Deductions line 1.***

- **I had income, but I was not required to file a Tax Return. Do I need to report my income on my affidavit?**

**Yes.** If you or a household member were not required to file a NYS Tax return, the income must still be reported in the household composition portion of the income affidavit. You must also check the box indicating "None" under Type of NYS Tax Return Filed.

- **Management indicated that a \$50 Non-Refundable Administrative Fee will be imposed on ALL Tenant/Cooperators who have NOT submitted their Fully Completed Income Affidavit to management by April 30<sup>th</sup>. Is this correct?**

**Yes.** When a tenant who is subject to DHCR's annual income review procedure fails to submit a completed income affidavit, or necessary documentation, by April 30<sup>th</sup>, Management may charge an administrative fee of \$50. For affidavits received after June 30<sup>th</sup> a 50% non-refundable surcharge will be added to the rent.

- **After filing my income affidavit late, management agreed to remove the 50% surcharge going forward but could not remove the surcharge already billed. Is this correct?**

**Yes.** When a tenant who is subject to DHCR's annual income review procedure fails to submit a completed income affidavit, or necessary documentation, management is required to give the tenant one month's notice that a 50% surcharge will be added to the rent. Once the affidavit or documentation is submitted, management is required to recalculate the surcharge on the basis of the submission and the effective date of any resulting rent change should be the first of the following month. Management is not required to waive a surcharge that has already been assessed due to the failure of a tenant to submit the income affidavit on time.

- **Since the last Income Affidavit submission, the tenant/shareholder of record has permanently vacated. Can I complete and submit the Income Affidavit?**

**Yes;** however, you must inform the managing agent that the resident of record has vacated. You must also request Succession Rights when you submit the Income Affidavit. The managing agent will provide you with an application for **Succession Rights** with instruction on how to complete the application and required documents.