



Office of Native American Programs

June 22, 1998

TO: All Tribal Government Leaders and Tribally Designated Housing Entities (TDHE)

FROM: Jackie Johnson, Deputy Assistant Secretary, 8APIN

TOPIC: Income Limits

SUBJECT: Income Limits under the Native American Housing Assistance and Self-Determination Act of 1996

Background: This provides guidance for determining income limits for use by a tribe or TDHE that administers affordable housing programs and screens applicants for income-based eligibility. Applicable housing units are those units assisted under the NAHASDA and the United States Housing Act of 1937.

Each year HUD provides maximum income limits which Tribes/TDHEs use to qualify eligible families for affordable housing programs. Program eligibility is generally limited to families with income at or below 80% of median income for the applicable area.

Definitions:

Median income, with respect to an Indian area, is the greater of (A) the median income for the Indian area, which the Secretary shall determine; or (B) the median income for the United States.

A Low Income Family is a family whose income does not exceed 80 percent of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may, for purposes of this paragraph, establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the findings of the Secretary or the agency that such variations are necessary because of prevailing levels of construction costs or unusually high or low family incomes.

Guidance: HUD Notice PDR-98-02 contains the latest published median income limits for the various Indian areas. The income limits published in the notice are in effect for FY 1998 and will remain in effect until superseded. The information in the notice is organized by counties; each county has its own income limit.

Tribes located on large reservations or those who have land in more than one county may have more than one income limit. However, to reduce administrative burden, the tribe/TDHE may set income limits for multi-county reservations at the income limit level of the county with the highest income limits.

If the income limit for a county located within your Indian area is lower than the United States median, you must use the United States median income limits. The United States median family income limit for a family of four is \$45,300. Therefore, the adjusted income for family size and 80 percent of median income is as follows:

**1 2 3 Base4 5 6 7 8
25350 29000 32600 36250 39150 42050 44950 47850**

For each additional family member over eight, 8 percent of the four-person base should be added

to the eight-person income limit. For example, the nine-person limit equals \$50,750 (47,850 + [36,250 * .08]). All income limits are rounded to the nearest \$50 to reduce administrative burden.

Exception: In Fiscal Year 1997, higher income limits were approved for some Indian housing authorities using Indian Trust Land area definitions. The above income limit exceptions are also recognized for the Indian Housing Block Grant (IHBG) program and will remain in effect until superseded by higher published income limits. A current listing of the FY 1998 exception areas is as follows:

INDIAN LANDS EXCEPTION INCOME LIMITS

(FY 1998)

4-Person

Indian HA County Exception FY98 Excep

N. Slope Borough, AK N. Slope Borough \$47,250 \$ 1,950

All Mission-Morong, CA Riverside&San Ber \$39,800 \$ 2,600

Yavapai Apache, AZ Yavapai \$38,600 \$11,300

If you have any questions regarding the income limits for your area, please call your local Area Office of Native American Programs. For your information, you may obtain access to HUD Notice PDR-98-02 through the internet at <http://www.hudsuser.org/data/factors/html> in order to obtain the income limits for your area(s).