Pawtucket Housing Authority

Equal Housing Opportunity

HOW YOUR TOTAL TENANT PAYMENT (TTP) IS CALCULATED

Your **Total Tenant Payment (TTP)** is based on your household's income and allowable deductions. The Housing Choice Voucher Program (HCVP) follows HUD rules when determining the amount your household is responsible for paying toward rent and utilities.

STEP 1: Calculate Annual Income

The Gross Annual Income is calculated for the entire household.
Income may include, but is not limited to:

- Wages and employment income
- Social Security benefits
- AFDC/TANF benefits
- Alimony and child support payments
- Interest from bank accounts
- Pensions
- Unemployment benefits
- Workers' compensation benefits
- Temporary disability benefits
- Military payments
- Income from assets

STEP 2: Calculate Annual Deductions

The **Total Annual Deductions** are calculated based on household circumstances.
Allowable deductions include:

1. $480 Dependent Deduction

A $480 deduction is provided for:

- Each child under the age of 18 or a full-time student; and
- Each family member who is not the head of household or spouse, is over age 18, and is disabled or handicapped.

Foster children and live-in attendants are not considered dependents for this deduction.

2. $400 Elderly/Disabled Family Deduction

A $400 deduction is provided if the head of household, spouse, or sole member of the household is:

- Age 62 or older; or
- Disabled or handicapped.

3. Child Care Deduction

Reasonable child care expenses for children, including foster children, age 12 and younger may be deducted when the care is necessary to:

- Allow a family member to work; or
- Allow a family member to further their education.

4. Medical/Disability Expense Deduction

For elderly or disabled households, qualifying medical expenses that exceed **3% of Annual Income** may be deducted.

Eligible expenses may include:

- Medical insurance premiums
- Prescriptions
- Doctor or treatment visits
- Medical care expenses
- Care attendant expenses

STEP 3: Calculate Annual Adjusted Income

The **Total Annual Deductions** are subtracted from the **Annual Income**:
Annual Income – Annual Deductions = Annual Adjusted Income

STEP 4: Calculate Monthly Adjusted Income

The **Annual Adjusted Income** is divided by 12 months:
Annual Adjusted Income ÷ 12 = Monthly Adjusted Income

STEP 5: Calculate Total Tenant Payment (TTP)

The **Monthly Adjusted Income** is multiplied by **30%** to determine the household's Total Tenant Payment:

Monthly Adjusted Income × 30% = Total Tenant Payment (TTP)

Your TTP is the amount your household is generally responsible for paying toward rent and utilities.

Important Information About HOTMA Changes

The **Housing Opportunity Through Modernization Act of 2016 (HOTMA)** updated HUD requirements for how Public Housing Agencies determine household eligibility, income, assets, and rent calculations.

Under HOTMA:

- Household income is reviewed and calculated using updated HUD requirements.
- Assets and asset income are evaluated according to new HUD rules.
- Certain asset exclusions and limitations may apply.
- Families must report changes in household composition, income, assets, and other required information to the Housing Choice Voucher Department.
- Allowable deductions and expenses are determined based on current HUD regulations.

The Pawtucket Housing Authority will calculate household income, deductions, and Total Tenant Payment in accordance with HUD regulations and HOTMA requirements.