

February 2024

## Tenant/Cooperator Instructions for Completing Income Affidavit

Complete the attached income affidavit and return it, plus one copy, to the managing agent by April 30, 2024. Retain a copy for your records. Please note that you still must submit your affidavit by April 30, even if you have filed for an extension of time to submit your income tax return with the IRS. In that case, estimate your income and note "estimated" on your income affidavit. File an amended affidavit once you have filed your tax return or you will be subject to the maximum surcharge.

HPD will compare the information supplied on the income affidavits with your New York State tax filing and where there is a discrepancy between your income affidavit and your tax filing, management will audit you. Failure of any tenant/shareholder to comply with the management's directive to supply official verification of tax return information from the NYS Department of Taxation will result in a 50% surcharge. If income was not properly declared and a surcharge or higher surcharge is required as a result of the audit, a penalty fee may be imposed.

### Print or type all answers. Please write legibly.

- STEP ONE: Complete upper left-hand section with your information: Fill in names, address, phone number, building number, apartment number, and date.
- STEP TWO: Complete appropriate information for all apartment occupants under "Household Composition". Enter name and Social Security number of every person residing in your apartment. (Enter last name first, then first name) and the type of return filed (i.e. Joint or Individual) or check the box "No Return Filed." Make sure to write legibly to avoid discrepancies.
- STEP THREE: In column headed "Gross Income", enter the amount shown on line 19 on NY State Tax Form IT-201 for each member of the household. If a joint return is filed, list income for each resident separately, so that secondary wage earner's deduction can be calculated. If no tax return was filed for 2023, list total amount of income received.
- STEP FOUR: If a full-time student twenty-one (21) years of age and over resides in the household, check the appropriate box to indicate this. If any income was received by this person, enter the annual income under "Gross Income."
- STEP FIVE: On line 7, enter the total amount of gross income of all members of household.
- STEP SIX: On line 8a, enter dollar amount of "Dependent Exemptions" as shown on Line 36 (IT 201) on their N.Y. State Tax Returns for 2023.
- STEP SEVEN: On line 8b, enter \$1,000 per taxpayer deduction for all persons who filed a 2023 N.Y S. Tax Return and were not claimed as a dependent by another taxpayer.
- STEP EIGHT: On line 9, enter amount of "Medical and Dental Expenses" as reported on Line 1 of your NYS Tax Form IT-196 "Resident Itemized Deduction Schedule" These deductions must be itemized. Important: you must submit a copy of your IT-196 with your income affidavit or you will not receive the deduction.
- STEP NINE: On line 10, enter amount of "Taxable Social Security Benefits" taken from line 15 on Form IT-201 of N.Y. State Tax Return for 2023 or total amount of Social Security benefits if a 2023 N.Y State Tax Return was not filed.
- STEP TEN: On line 11, add lines 8a, 8b, 9 and 10.
- STEP ELEVEN: On line 12, subtract line 11 from line 7 to obtain Adjusted Household Income.
- STEP TWELVE: Have each adult occupant of the unit sign and date the income affidavit in the space provided at the bottom.
- STEP THIRTEEN: Return the original and one (1) copy of the completed affidavit to your managing agent and keep one copy for your records.

**IMPORTANT REMINDER: Tenant/shareholders cannot accept a maximum surcharge instead of fully disclosing their household income. All adult household members must supply income information. Income affidavits will be considered incomplete if the information is not provided and tenant/shareholders will be subject to a monthly fee of \$150 as well as to a maximum surcharge.**

- The Mitchell-Lama Rules, Section 3, state that failure to submit the affidavit on time or comply with an income verification audit will result in maximum surcharge of 50%. Also, a non-refundable administrative fee of \$50, payable to the Housing Company, will be charged if an affidavit is submitted after April 30<sup>th</sup> but before June 30<sup>th</sup>. An additional non-refundable fee of \$150 per month will be charged if a fully completed affidavit is not submitted by June 30<sup>th</sup>.
- If, at any time after the maximum surcharges are billed, a tenant/cooperator submits an Income Affidavit, management shall remove the maximum surcharge billing effective the first day of the month following the submission of such Income Affidavit. Management shall determine the amount of the revised surcharge amount, if any, of the tenant/cooperator based on his or her submission.

## **QUESTIONS & ANSWERS INFORMATION FLYER CALENDAR YEAR 2023 INCOME AFFIDAVIT**

### **What happens if I fail to submit my 2023 Income Affidavit?**

- **Answer:** If you fail to submit your income affidavit by April 30<sup>th</sup>, you will be charged a non-refundable administrative fee of \$50, payable to the Housing Company. An additional ongoing non-refundable fee of \$150 per month will be charged if a fully completed affidavit is not been submitted by June 30<sup>th</sup>. Additionally, you will be subject to a maximum surcharge.

**NOTE: You may be subject to legal action for failure to submit your Income Affidavit.**

### **Can I choose not to report my income and accept a maximum surcharge?**

- **Answer:** No. If residents submit an income affidavit but fail to disclose their income, their affidavit is considered incomplete and will be subject to both the maximum surcharge and an additional ongoing charge of \$150 per month.

### **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 9 of my income affidavit?**

- **Answer:** No. In order to claim medical and/or dental expenses on line 9 of your income affidavit, you must have itemized your deductions as reported on your **NYS IT-196** itemized deduction schedule item 1. In addition, you must provide a copy of your IT-196 or you will not receive the deduction

### **I had income but I was not required to file a 2023 NYS Tax Return. Do I need to report my income on my affidavit?**

- **Answer:** Yes. If you or a family member were not required to file a 2023 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 “**NO RETURN FILED**”.

### **I had no income last year. Can I indicate Zero on my affidavit?**

- **Answer:** No. Reporting zero income is not acceptable. Managing agents will require an explanation as to how you are able to pay your rent/maintenance charges, utilities, and the cost of food without income. You must report all sources of income on your affidavit including savings withdrawals, contributions from relatives or friends as well as any unearned income such as unemployment, social security, pension or public assistance.

### **Since the last income affidavit submission, the resident of record has permanently vacated. Can I complete and submit the income affidavit?**

- **Answer:** 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. Your managing agent will provide you with an application for succession rights along with instructions on how to complete the application and required documents.

### **I noticed the 2023 Income Affidavit asks that I provide my phone number. Is it necessary for me to provide my phone number?**

- **Answer:** We strongly encourage you to provide your phone number. Should a question arise concerning your income affidavit, management or HPD may need to contact you to resolve a question or to avoid a potential surcharge.

### **I am considering advertising my apartment with Airbnb, is this ok?**

- **Answer:** No. Renting your apartment or any portion of your apartment through Airbnb or other similar arrangement is a serious violation of the Mitchell-Lama rules that could result in your eviction.

### **Where can I get a copy of the Mitchell-Lama Rules?**

- **Answer:** The City Mitchell-Lama rules are available on HPD’s web site [www.nyc.gov/hpd](http://www.nyc.gov/hpd).