

## UNDERSTANDING HOW YOUR TOTAL TENANT PAYMENT (TTP) IS CALCULATED

Your assistance (subsidy) will be based on your income, your family size and the rent of the unit you choose. The total tenant payment (TTP) represents the minimum amount a family **must** contribute toward rent and utilities regardless of the unit selected. The TTP is calculated using a statutory formula and individual income information.

**Step 1:** Annual Income of the entire household is calculated

Income includes wages, social security, SSI, TANF, alimony and child support payments, interest on bank accounts, pensions, unemployment, worker's compensations benefits, TDI, regular contributions/gifts, and military payments.

**Step 2:** The total Annual Deduction is calculated

*\$480 deduction:* For each child under age 18, or a full-time student. For each family member who is **not** the head of household or spouse, is over the age of 18 and is either disable or handicapped. Foster children and live-in attendants can **never** be dependents.

*\$400 deduction:* If head-of-household is 62 years of age or older or disable or handicapped.

*Childcare deduction:* Reasonable childcare expenses for the care of children, including foster children, age 12 and younger may be deducted from the annual income. Can only be given to enable a family member to work or further his/her education.

*Allowable medical Expenses:* If you are an elderly or disable family, medical expenses for all family members that are **greater than 3%** of the Annual Income will be deducted.

**Step 3:** The total of Annual Deductions is then subtracted from the total Annual Income amount.  
The result = Annual Adjusted Income

**Step 4:** The Annual Adjusted Income is then divided by 12 to equal the total monthly income.

**Step 5:** The Monthly Adjusted Income is then multiplied by 30% to equal your TOTAL TENANT PAYMENT.

Because the family has the option of selecting a unit with a rent that is more or less than the EPHA payment standard, the final calculation of the family's share of the housing cost and the HAP amount cannot be completed until the family has selected a unit. Keep in mind that your share, TTP, cannot exceed 40% of your monthly-adjusted income and the gross rent for the unit cannot exceed the reasonable rent for the market area.