

**Instructions for TRACS 202D  
form HUD-50059 A (12/2012)**

**(Move-Outs, Terminations, Gross Rent Changes and Unit Transfers)**

**Owner's Certification of Compliance with HUD's  
Tenant Eligibility and Rent Procedures**

## **The following are some general notes regarding these instructions:**

1. When completing this form, if a conflict arises between these instructions and the instructions provided in the Definitions and Edits section of the TRACS 2.0.2.D MAT User Guide, the TRACS 2.0.2.D MAT User Guide takes precedence.
2. When automatically printing or manually filling out this form, Owner/Agents or TRACS compliant software may add additional descriptors when the instructions require a Code to be chosen. As long as the required Code is filled in for TRACS reporting purposes, the additional descriptors are acceptable.

Take for example Item 3, Subsidy Type. If the property is Section 8, the required Subsidy Type Code in Item 3 should be filled in with a **1**. Also shown are instances in which an added descriptor may be printed with the required Code.

3. Subsidy Type <b>1</b>	3. Subsidy Type <b>1-(Section 8)</b>	3. Subsidy Type <b>1 – Sec. 8</b>
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These variations are examples of what is acceptable on the completed HUD-50059 A. Even though we see added descriptors on the completed form, the TRACS data field created by TRACS compliant software would be filled in with a **1** because TRACS allows for only one character in the Subsidy Type data field.

3. Two new contract types have been added to Section 8 (Subsidy Type 1). They are RAD and SPRAC. When processing RAD or SPRAC certifications, enter Subsidy Type “**1**” in Item 3 of this form. Refer to Appendix K in the 202D MAT (Monthly Activity Transmission) User Guide for more information.
4. Owners must keep the signed HUD-50059(s) and copies of the HUD-50059 A(s) for tenants from the time of Move-In to Move-Out and for a minimum of three years thereafter. See 202D MAT Guide: Chapter 7, Paragraph 9-7.E.
5. For TRACS reporting purposes, this form (HUD-50059 A) is referred to as a MAT40 record for Move-Outs, a MAT65 record for Terminations and a MAT70 record for Gross Rent Changes or Unit Transfers.

## **Helpful Web pages**

The web pages shown in these instructions can be accessed by placing your cursor on the web page address, then pressing and holding the **Ctrl** key and left-clicking once. **Ctrl + Click**

**TRACS web site:** [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/mfh/trx/trxsum](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/trx/trxsum)

**TRACS Documents:** [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/mfh/trx/trxdocs](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/trx/trxdocs)

Located in TRACS Documents: **TRACS 202D Final Industry Specification Documents**  
**Monthly Activity Transmission - MAT User Guide**  
(includes TRACS errors and recommended solutions)

**TRACS Discussion Forum:** A forum for Industry members to ask questions and offer resolutions related to HUD Occupancy regulations/requirements and TRACS submission challenges.  
<http://ptp.hud.gov/forumswww/main.cfm?cfapp=34>

**HUDClips:** The TRACS 202D versions of the forms HUD-50059 and HUD-50059 A, along with the instructions for these forms, are located at...  
<http://www.hud.gov/offices/adm/hudclips/forms/hud5.cfm>

**HUD Handbook 4350.3 - Occupancy Requirements of Subsidized Multifamily Housing Programs:**  
[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/administration/hudclips/handbooks/hsgh/4350.3](http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/handbooks/hsgh/4350.3)

**Some general references to consider when completing the applicable Items on the form HUD-50059 A are:**

**HUD Handbook 4350.3 REV-1, Paragraphs 7-14 through 7-18 and 8-5  
Chapters 4 (Operating Tips) & 5 (MAT Records) of the TRACS MAT Guide (2.0.2.D)  
Appendix H of the TRACS MAT Guide (2.0.2.D)  
TRACS 202D Final Industry Specification Documents**

**Also, for TRACS reporting purposes...**

**MAT 40 is a Move-Out (MO)**

**MAT 65 is a Termination of Assistance (TM)**

**MAT 70 is a Gross Rent Change (GR) or Unit Transfer (UT)**

## **Partial Certification**

**Item 1** Name of Project      Enter the project name that appears on the regulatory agreement or subsidy contract. This will be the current project name in the Contracts database.  
(MAT TENHR Field 20)

Note: TRACS will use this project name for all Fields under this TENHR.

**Item 2** Project Number      Enter the 8-digit FHA, Elderly Housing, or State Agency noninsured project number. This field is mandatory for Section 236, BMIR, Rent Supplement, RAP, 811 PRA Demo, PAC, and PRAC subsidy types. It is also required for those Section 8 contracts for which an FHA project number applies.  
Sample entries are as follows:  
FHA Insured Projects – 12144026  
Elderly Housing Projects – 121EH001  
Other noninsured Projects – 121001NI  
(MAT TENHR Field 23)

Note: Do not use “0000FMHA” as a project number for an FMHA/RHS property. There should not be a project number for these properties.

**Item 3** Subsidy Type      Enter the code for the type of subsidy the tenant is receiving at the time of this Transaction. Valid codes are as follows:

1- Section 8	4- Section 236	7- Section 202/PRAC
2- Rent Supplement	5- BMIR	8- Section 811 PRAC
3- RAP	6- 811 PRA Demo	9- Section 202/162 PAC
0- Market Rent (Acceptable with <u>only</u> MAT15 Address records)		

(MAT TENHR Field 21 and 2.0.2.D MAT Guide, Chapter 4, Section 4.8 for Subsidy Type 0)

<b>Item 4</b> Contract Number	This number is mandatory for Section 8 (including State Agency and USDA RHS 515/8 projects), 202/162 PAC, 202 PRAC, and 811 PRAC subsidy types. This number will be used for all TRACS transactions created under this TENHR. Enter the 11-digit Contract Number. Do not enter dashes in this Item. (e.g.: AK123456789)
	(MAT TENHR Field 24)
<b>Item 5</b> Transaction Type	Enter the code that best describes the main reason for preparing this form.
	<p>MO = Move-Out (MAT 40 Field 4)</p> <p>TM = Termination (MAT 65 Field 4)</p> <p>GR = Gross Rent (MAT 70 Field 4)</p> <p>UT = Unit Transfer (MAT 70 Field 4)</p>
<b>Item 6</b> Head of Household (Last, First, Initial)	Enter the name (Last, First, Middle Initial) of the Head of Household.
	(MAT 40 Fields 6, 7 and 8 for Move-Out) (MAT 65 Fields 6, 7 and 8 for Termination) (MAT 70 Fields 6, 7 and 8 for Gross Rent Change or Unit Transfer)
<b>Item 7</b> Unit Number	For a Move-out, Termination or Gross Rent Change, enter the Unit Number in which the tenant is/was residing at the time of this Transaction. <b>For a Unit Transfer, enter the Unit Number into which the tenant is moving.</b>
	(MAT 40 Field 11 for Move-Out) (MAT 65 Field 14 for Termination) (MAT 70 Field 11 for Gross Rent Change or Unit Transfer)
<b>Item 8</b> No. of Bedrooms	Enter the number of bedrooms for the unit number listed in Item 7.
	(MAT 10: Section 2 Field 71)
<b>Item 9</b> Building ID	REAC-assigned Building Number. Leave this Item blank.
	(MAT 40 Field 12 for Move-Out) Future Field (MAT 65 Field 13 for Termination) Future Field (MAT 70 Field 12 for Gross Rent Change or Unit Transfer) Future Field
	<b>Note: TRACS is not edit-checking information for this Field at this time.</b>
<b>Item 10</b> Effective Date	Enter the date this Transaction is to be effective. Enter the Transaction date as MMDDYYYY.
	(MAT 40 Field 10 for Move-Out) (MAT 65 Field 10 for Termination) (MAT 70 Field 10 for Gross Rent Change or Unit Transfer)

<b>Item 11</b> Head ID Code (SSN)	Enter the 9-digit Social Security Number (SSN) for the Head of Household.
	<b>Note:</b> The SSN/TRACS ID of the Head of Household. Enter 999999999 if the head of household has no SSN/TRACS ID, along with entering the Head of Household's name (Item 6) and birth date (Item 12). Do not enter an ITIN (Individual Tax Identification Number) or a Social Security Benefits Claim Number.
	(MAT 40 Field 5 for Move-Out) (MAT 65 Field 5 for Termination) (MAT 70 Field 5 for Gross Rent Change or Unit Transfer)
<b>Item 12</b> Head Birth Date	Enter the Birth Date for the Head of Household. Enter date as MMDDYYYY.
	(MAT 40 Field 9 for Move-Out) (MAT 65 Field 9 for Termination) (MAT 70 Field 9 for Gross Rent Change or Unit Transfer)
<b>Item 13</b> Correction Type	Leave blank if this is not a correction. Otherwise, enter...  R = Correction/Retransmittal  (MAT 40 Field 16 for Move-Out) (MAT 65 Field 16 for Termination) (MAT 70 Field 27 for Gross Rent Change or Unit Transfer)
	Important Note: When submitting a correction of an MO, TM, GR/UT to TRACS, in order to change the effective date of the transaction, you must first re-submit the most recent MAT10 (full certification) before you can submit the correction.
	Refer to 2.0.2.D MAT Guide Chapter 4, Sections 4.2, 4.14 and 4.20 for more information regarding corrections.
	Note: A GR or a date-corrected GR that is effective on the date of a UT must be reported as a UT, not a GR. See 2.0.2.D MAT Guide: Chapter 4 (TRACS Operating Tips), Sections 4.12 and 4.15.
<b>Item 14</b> EIV Indicator	If an EIV finding is the reason this transaction is being completed, enter "Y". If not, leave blank.
	(MAT 40 Field 19 for Move-Out) (MAT 65 Field 18 for Termination) (MAT 70 Field 29 for Gross Rent Change or Unit Transfer)
<b>Item 15</b> Transaction Date Being Corrected	Leave this item blank. See Note below.
	(MAT 40 Field 17 for Move-Out) (MAT 65 Field 17 for Termination)

(MAT 70 Field 28 for Gross Rent Change or Unit Transfer)

Note: When Item 15 is activated, “C” will become a legal Correction Type and will be added as a valid code for Item 13. Currently, this Field is not active in TRACS 2.0.2.D.

**Item 16** Anticipated Voucher Date

Enter the voucher period (month, day, year) for which the (re)certification will first appear. When the (re)certification is for Subsidy Type “4” (Section 236) or Type “5” (BMIR), enter the date that is the first of the month corresponding to the transaction effective date.

Note: When entering the date MMDDYYYY, the “DD” will always be “01”

(MAT 40 Field 15 for Move-Out)

(MAT 65 Field 15 for Termination)

(MAT 70 Field 21 for Gross Rent Change or Unit Transfer)

Appendix H, Sections 13 & 14 of the 2.0.2.D TRACS MAT Guide outlines the timing of reporting (re)certifications/transactions on vouchers.

See the chart below for a summary of the rules. Adapted from Appendix H, Sections 13 & 14

<b>This chart shows the first month that a given cert may appear on a voucher</b>				
<b>Certification Effective</b>	<b>RAP / Rent Sup</b>		<b>Other subsidies</b>	
	Aug 1st	Aug 2-31	Aug 1st	Aug 2-31
<b>First Possible Voucher Month</b>				
AR (Annual)	Aug	NA	Aug	NA
IR (Interim)	Aug	Sep	Aug	Oct
IC (Initial)	Aug	Sep	Aug	Oct
MI (Move-In)	Aug	Sep	Sep	Oct
MO (Move-Out)	Sep	Sep	Sep	Oct
TM (Termination)	Sep	Sep	Sep	Oct
GR (Gross Rent)	Aug	Sep	Aug	Sep
UT (Unit Transfer)	Aug	Sep	Sep	Oct

In other words:

Referencing the chart above, a MO, TM or UT transaction, for a tenant living in a Section 8 property, with an effective date of August 1<sup>st</sup>, could first be reported on the September voucher. However, a MO, TM or UT transaction, for a tenant living in a Section 8 property, with an effective date from August 2<sup>nd</sup> through August 31<sup>st</sup>, could first be reported on the October voucher.

A GR transaction, for a tenant living in a Section 8 property, with an effective date of August 1<sup>st</sup>, could first be reported on the August voucher. However, a GR, for a tenant living in a Section 8 property, with an effective date from August 2<sup>nd</sup> through August 31<sup>st</sup>, could first be reported on the September voucher.

## **Move-Outs**

**Item 17** Move Out Code      Enter the valid code which best describes the reason for the Move-Out.

- 1 = Owner initiated for nonpayment of rent (4350.3 REV 1: Paragraph 8-13.A.5)
- 2 = Owner initiated--other
- 3 = Tenant initiated--other
- 4 = Death of sole family member
- 5 = Unit Transfer between two projects. See 2.0.2.D MAT Guide: Section 4.1
- 6 = Reserved for TRACS use only (HQ Move Outs)
- 7 = Abandoned Unit (4350.3 REV 1: Paragraph 6-9.B.2 and 8-13.A.2) – PDD
- 8 = Failure to submit SSN
- 9 = Uninhabitable unit – Abated.
- 10 = Substantial Rehab or Repair – Tenant Expected to Return
- 11 = RAD to Housing Choice Voucher—Choice Mobility Option Exercised
  - Note for code 11: Used only for a RAD tenant accepting a Housing Choice Voucher (HCV)

(MAT 40 Field 13)

**Item 18** Date of Death of Sole Member

Enter as MMDDYYYY. Required if the Move-Out Code in Item 17 is “4”.

Note: The tenant’s subsidy (assistance payment) must end no more than 14 days from the date of death of the sole family member. However, the actual Move-Out date may be after the 14-day period.

(MAT 40 Field 14 202D MAT Guide: Chapter 7, Paragraph 9.12.E.1)

**Item 19** Description

Enter the text corresponding to the Move-Out code entered in Item 17.

- 1 = Owner initiated--Nonpayment of rent
- 2 = Owner initiated--Other
- 3 = Tenant initiated--Other
- 4 = Death of sole family member
- 5 = Unit Transfer between two projects
- 6 = TRACS use only (HQ Move Outs)
- 7 = Abandoned Unit
- 8 = Failure to submit SSN
- 9 = Uninhabitable unit - Abated
- 10 = Substantial Rehab or Repair - Tenant expected to return
- 11 = RAD to Housing Choice Voucher—Choice Mobility Option Exercised

(MAT 40 Field 18)

## **Terminations**

### **Item 20** Termination

Enter the valid code which best describes the reason for the Termination.

TI = TTP Equals/Exceeds Gross Rent or moving to market rent  
(Section 236 and BMIR) (4350.3 REV 1: Paragraph 8-5.C).

TC = Did not supply citizenship/eligible alien documentation.

TR = Did not re-certify on time. Tenant required to pay market rent.  
(4350.3 REV 1: Paragraph 8-5.A)

TF = Tenant refused to transfer as agreed or submitted false data.  
(4350.3 REV 1: Paragraph 8-5.D)

CE = Subsidy contract expired-not renewed. Do not use when renewal is delayed.  
Refer to 2.0.2.D MAT Guide: Chapter 4, Section 4.19 (Last HAP Vouchers)

ST = Ineligible Student. Not available for PRAC. Tenant must move out.

DS = Double subsidy at move-in. Use to terminate subsidy when a move-out from a former property is effective after the move-in or initial certification date for the new property. The code is intended to be used on a termination effective on the move-in or initial certification date. It will result in an adjustment on the voucher that gives back subsidy for the TM date . See **Note** below.

ND = Natural Disaster or Uninhabitable Unit or Presidentially Declared Disaster  
AB = HUD abated unit.

RR = Substantial rehab or repair – Tenant expected to return.

NS = Resident did not qualify for subsidy at MI for reason other than Double Subsidy. Typically, this would be a situation where income at MI or IC is being corrected as a result of an EIV or other investigation and it is found that the tenant was not eligible. Just like the DS code, a TM/NS gives back subsidy for the TM date. Per the HUD 4350.3, you can only go back five years when investigating misreporting. Therefore a TM using the NS code cannot apply to a move-in (MI) more than five years old.

OT = Other. A reason not covered by any of the other codes. Note: Do not use a termination to end subsidy after the death of a sole member. Use the Move-Out transaction.

The following codes are reserved for HUD use only:

EN = Contract terminated for enforcement action.

HQ = TRACS generated termination for failure to recertify, submit termination or move-out. May be superseded by an Annual Recertification.

**Note:** LR = Did not re-certify on time. Legacy code for terminations with effective dates less than or equal to TRACS 202C transition date.

**Note:** All termination codes, except for DS and NS, allow subsidy on the effective date of the termination

**Note:** Do not use a Termination transaction (TM) to end subsidy after the death of a sole member. Use the Move-Out transaction.

(MAT 65 Field 11 4350.3 REV 1: Paragraph 8-5)

**Item 21** Description

Enter the text corresponding to the Termination code entered in Item 20.

TI = TTP Equals/Exceeds Gross Rent or moving to market rent  
TC = Did not supply citizenship documentation  
TR = Did not re-certify on time  
TF = Tenant refused to transfer or submitted false data  
CE = Subsidy contract expired-not renewed  
ST = Ineligible Student  
DS = Double subsidy at move-in  
ND = Natural Disaster or Uninhabitable Unit  
AB = HUD abated unit.  
RR = Substantial rehab or repair - Tenant expected to return  
NS = Resident did not qualify for subsidy at MI--Not Double Subsidy  
OT = Other. A reason not covered by any of the other codes  
EN = Contract terminated for enforcement action  
HQ = TRACS generated termination for failure to recertify  
LR = Did not re-certify on time

(MAT 65 Field 12)

## **Gross Rent Changes and Unit Transfers**

Note: If a Gross Rent Change or Unit Transfer has the same effective date as a full certification for the tenant, include the new GRC and/or UT information on the full certification (50059) instead of this form.

**Item 22** Previous Unit No. (UT's only) For a Unit Transfer (MAT70 TRACS record), enter the Unit from which the tenant transferred.

(MAT 70 Field 22)

Note: If this unit transfer includes changes in family composition and/or income, assets or expenses, complete a full certification (50059), instead of this form, making sure to fill in Items 24 & 25 on the HUD-50059.

**Item 23** Secondary Subsidy Type

If this transaction type (Item 5) is a **GR** or **UT**, enter “S” if this tenant is receiving Section 8, RAP, or Rent Supplement assistance and is living in a Section 236 property. Enter “B” if this tenant is receiving Section 8, RAP or Rent Supplement assistance and is living in a BMIR property. Otherwise, leave blank.

(MAT 70 Field 23)

**Item 24** 236 Basic/ BMIR Rent

If Item 23 has an “S”, enter the Section 236 Basic Rent. If Item 23 has a “B”, enter the BMIR Rent. **For a Unit Transfer, enter the 236 Basic/BMIR Rent for the Unit into which the tenant is moving.** Otherwise, leave blank.

(MAT 70 Field 24) Approved HUD-92458 (Rent Schedule)

**Item 25** Market Rent

This Item is required to be filled in if Section 236 or BMIR is the primary or secondary subsidy. Enter the market rent HUD or the Contract Administrator has approved for this unit type. **For a Unit Transfer, enter the Market Rent for the Unit into which the tenant is moving.** If not applicable, leave blank.

(MAT 70 Field 25) Approved HUD-92458 (Rent Schedule)

**Item 26** Contract Rent

For a Gross Rent Change, enter the rent HUD or the Contract Administrator has approved for this unit type. **For a Unit Transfer, enter the Contract Rent for the Unit into which the tenant is moving.**

The Contract Rent is the Section 8/RAP Contract Rent, the Section 236 Basic Rent, the Section 221(d)(3) BMIR Contract Rent, or the Rent Supplement Unit Rent, as applicable. **Note: This amount cannot be zero.**

For the Section 202 PAC or PRAC and Section 811/PRAC projects, if the tenant pays utilities separately, enter the operating rent (operating cost) minus the HUD-approved utility allowances. If all of the utilities are included in the rent, enter the operating rent.

(MAT 70 Field 14) Approved HUD-92458 (Rent Schedule)

**Item 27** Utility Allowance

If all of the utilities are included in the rent, enter zero in this Item. If not, enter the amount HUD or the Contract Administrator has approved for this unit type. **For a Unit Transfer, enter the Utility Allowance for the Unit into which the tenant is moving.**

(MAT 70 Field 18) Approved HUD-92458 (Rent Schedule)

**Item 28** Gross Rent

Enter the amount HUD or the Contract Administrator has approved for this unit type. **For a Unit Transfer, enter the Gross Rent for the Unit into which the tenant is moving.**

(MAT 70 Field 17) Approved HUD-92458 (Rent Schedule)

Note: Also known as the PRAC Operating Rent and the PAC Operating Cost.

**Item 29** TTP at RAD Conversion

If Section 8 sub-type is not RAD or if not Section 8, leave blank. If RAD and if no Rent Phase-in is involved, leave blank. If RAD and Rent Phase-in is in process, enter the TTP (Total Tenant Payment) the tenant is/was paying at the time of conversion to RAD.

**NOTE:** This is not Tenant Rent. Tenant Rent = TTP less any Utility Allowance

(MAT10: Section 2 Field 101 & HUD-50059: Item 32)

**Note: If the TTP, TR, AP and/or UR for a tenant family needs to be pro-rated, please follow the Pro-ration procedures listed after Item 36.**

**Item 30 Total Tenant Payment**

The Total Tenant Payment (TTP) is the amount a tenant is expected to contribute for rent and utilities. The TTP for a Section 8, PAC, PRAC, RAP or Rent Supplement property is based on the family's income. For BMIR and Section 236 tenants, leave blank.

**For Section 8, RAP, PRAC, PAC, the Total Tenant Payment (TTP) is the greater of:**

- 30% monthly adjusted income;
- 10% monthly gross income;
- Welfare rent (welfare recipients in as-paid localities only); or
- \$25 minimum rent (Section 8 only).

**For Rent Supplement:**

The Total Tenant Payment (TTP) is the greater of:

- 30% of monthly adjusted income; or
- 30% of gross rent.

(MAT 70 Field 16 4350.3 REV 1: Paragraph 5-25, Figure 5-6, Paragraphs 7-16 & 7-17, Exhibit 5-8)

**Item 31 TTP Before Override**

If this is a Rent Override situation (Item 35, Rent Override set to Y) and the rent calculation involves TTP, enter the TTP that would normally be calculated without the Override. Otherwise, leave blank. See 2.0.2.D MAT Guide: Chapter 4, Section 4.30, Rent Overrides, and Appendix K.

NOTE: For a RAD rent phase-in, on the first certification in which the TTP Before Override equals the Total Tenant Payment, enter the amounts in this Item and Item 29. The fact that TTP Before Override = Total Tenant Payment signals that the phase-in is complete. For future transactions (those with effective dates after the one that ends the rent phase-in), leave this Item and Item 29 blank.

(MAT70 Field 31)

**Item 32 Tenant Rent**

For Section 8/RAP/Rent Supplement/Section 202 PAC, Section 202 PRAC and Section 811 PRAC tenants: Tenant Rent (TR) is the portion of the TTP the tenant pays each month to the owner for rent. When utilities are paid by the property, the Tenant Rent (TR) will equal the Total Tenant Payment (TTP). When utilities are paid by the tenant, the TR equals the TTP minus the Utility Allowance. If the Utility Allowance (UA) is greater than the TTP, enter zero and calculate the Utility Reimbursement (Item 33).

For Section 236 and BMIR tenants: See 4350.3 REV-1: Exhibit 5-8 for calculating Tenant Rent

(MAT 70 Field 15 4350.3 REV 1: Paragraph 5-26.A)

**Item 33 Utility**

Reimbursement

If the Utility Allowance exceeds the Total Tenant Payment, subtract the TTP from the Utility Allowance and enter the difference. For Section 236 and BMIR tenants, leave blank.

(MAT 70 Field 19 4350.3 REV 1: Paragraph 5-26.C)

**Item 34 Assistance**

Payment

Enter the amount the owner bills HUD on behalf of the tenant living in a Section 8, RAP, Rent Supplement, 202/811 PRAC or PAC property. To determine this amount, subtract the TTP (Item 30) from the GR (Item 28).  $GR - TTP = AP$ . If the TTP is greater or equal to the GR, enter zero in this Item, except for a PRAC tenant. The assistance payment (AP) for a PRAC tenant is the Operating Rent minus the TTP. Enter the AP amount, even if the amount is a negative number (e.g.: -75). For all other tenants, enter zero or leave this Item blank

(MAT 70 Field 20 4350.3 REV 1: Paragraph 5-26.B)

**Item 35 Rent Override**

Enter “Y” if the normal rent calculations have been overridden for this transaction. Otherwise, leave blank.

See HUD Handbook 4350.3 REV 1: Paragraph 5-30 for the general requirements as to when a HUD calculated rent may be overridden.

See also the rent calculation spreadsheet (**202DCalculatingTenantRent.xlsx**) for how overrides impact calculations. The spreadsheet is located on the TRACS web page. Click on Documents, then click on TRACS 202D Final Industry Specification Documents

(MAT 70 Field 26 2.0.2.D MAT Guide: Chapter 4, Section 4.30)

**Item 36 Security Deposit**

The amount that should have been collected from the tenant when they moved into the project. If this transaction is a Unit Transfer, include any amounts transferred from the previous unit.

Note: The security deposit amount was determined at move-in and should not change, unless the O/A refunded the old deposit and an Interim/Unit Transfer (IR/UT) or an Annual/Unit Transfer (AR/UT) determines a new amount.

(MAT 70 Field 13 4350.3 REV 1: Paragraph 6-15 & 6-16, Figure 6-7)

**The Owner/Agent must sign and date this completed form HUD-50059 A. The Head of Household must sign and date this completed form HUD-50059 A when there is a change in the amount of rent the household must pay, a change in the utility reimbursement, when there is a unit transfer and when required by state or local law. See TRACS 202D MAT Guide: Chapter 7, Paragraphs 9-5.A.7.c and 9-8.C.**

**Pro-ration procedures for tenants whose Household Citizenship Eligibility code is “P”, Prorated Assistance (Item 96 of the most recent form HUD-50059).**

**Refer to the Excel® file, 202DNonCitizenRuleProration, located in the TRACS 202D Final Industry Specifications Documents as indicated on the TRACS web page. Also refer to Exhibits 3-12 through 3-14 of the 4350.3 REV-1 for guidance.**

**When completing the HUD-50059-A, these pro-ration procedures are to be used for Gross Rent Changes or Unit Transfers. Use HUD-92458 (Rent Schedule) as a reference.**

**Note: Market Rate tenants would need an IC (Initial Certification) completed if they were to become eligible for assistance as a result of a GR or UT transaction.**

CR = Contract Rent (Item 26)

BR = 236 Basic/BMIR Rent (Item 24)

GR = Gross Rent (Item 28)

MR = Market Rent (Item 25)

UA = Utility Allowance (Item 27)

UR = Utility Reimbursement (Item 33)

TR = Tenant Rent (Item 32)

AP = Assistance Payment (Item 34)

TP = Total Tenant Payment (Item 30)

## **Section 8, RAP, and Rent Supplement programs (Exhibit 3-12)**

**A) Calculate TTP and resulting AP without pro-rations**

- 1) \_\_\_\_\_ Enter GR (Item 28 of the HUD-50059 A)
- 2) \_\_\_\_\_ From the income amounts (Total Annual Income and Adjusted Annual Income) calculated on the family's most recent full certification (MI, AR, IR, IC), use the appropriate rent formula, based on subsidy type, in Exhibit 5-8 to determine the TTP, without pro-ration.
- 3) \_\_\_\_\_ Subtract TTP from GR and enter the amount. This is the AP that the family would receive if no pro-ration was involved.

**B) Calculate prorated AP**

- 4) \_\_\_\_\_ Number of eligible Family members who are citizens or non-citizens with eligible immigration status
- 5) \_\_\_\_\_ Enter the fraction that represents the number of eligible family members and the number of family members in the tenant household. (e.g., 5 family members and only 3 family members eligible for assistance Fraction is 3/5)
- 6) \_\_\_\_\_ Multiply Line 3 by the fraction in Line 5 and enter the amount in Item 34 of the HUD-50059 A. This is the Prorated AP for the family.

**C) Calculate prorated TTP**

- 7) \_\_\_\_\_ Enter GR (Item 28 of the HUD-50059 A)
- 8) \_\_\_\_\_ Subtract Line 6 from Line 7 and enter the amount in Item 30 of the HUD-50059 A. This is the Prorated TTP for the family.

**D) Calculated prorated TR and any UR (if applicable)**

- 9) \_\_\_\_\_ Enter UA (Item 27 of the HUD-50059 A)
- 10) \_\_\_\_\_ Subtract Line 9 from Line 8 and enter the amount in Item 32 of the HUD-50059 A. This is the Prorated TR for the family.

If Line 10 is zero and in 32 of the HUD-50059 A, complete Line 11

- 11) \_\_\_\_\_ If Line 9 is greater than Line 8, enter the difference in Item 33 (Utility Reimbursement) of the HUD-50059 A. Otherwise, leave blank

## **Section 8, RAP and Rent Supplement Programs in a Section 236 project (Exhibit 3-14)**

A) Calculate difference between MR and BR for unit without pro-rations

- 1) \_\_\_\_\_ Enter MR (Item 25 of the HUD-50059 A)
- 2) \_\_\_\_\_ Enter BR (Item 24 of the HUD-50059 A)
- 3) \_\_\_\_\_ Subtract Line 2 from Line 1 and enter difference

B) Calculate prorated difference between MR and BR

- 4) \_\_\_\_\_ Enter number of people in the family who are Ineligible Persons (i.e., not a citizen or not an eligible non-citizen)
- 5) \_\_\_\_\_ Enter the fraction that represents the number of Ineligible Persons and the number of family members in the tenant household, (e.g., 5 family members of which 2 are Ineligible Persons) Fraction is 2/5
- 6) \_\_\_\_\_ Multiply Line 3 by the fraction in Line 5. This amount is the prorated difference between MR and BR

C) Calculate the assistance adjustment for Rent Supplement, RAP or Section 8 assistance the tenant would otherwise receive

- 7) \_\_\_\_\_ Enter GR (Item 28 of the HUD-50059 A)
- 8) \_\_\_\_\_ From the income amounts (Total Annual Income and Adjusted Annual Income) calculated on the family's most recent full certification (MI, AR, IR, IC), use the appropriate rent formula, based on subsidy type, in Exhibit 5-8 to determine the TTP, without pro-ration.
- 9) \_\_\_\_\_ Subtract Line 8 from Line 7. This amount is the AP the family would receive without being subject to pro-ration requirements.
- 10) \_\_\_\_\_ Multiply Line 9 by Line 5. This amount is the Assistance Adjustment for the family.

D) Calculate the **prorated TTP**

- 11) \_\_\_\_\_ Add Line 6 + Line 8 + Line 10. Enter the amount in Item 30 of the HUD-50059 A. This is the Prorated TTP for the family.

E) Calculate the **prorated AP**

12) \_\_\_\_\_ Enter GR (Item 28 of the HUD-50059 A)

13) \_\_\_\_\_ Subtract Line 11 from Line 12 and enter the amount in Item 34 of the HUD-50059 A. This is the Prorated AP for the family.

F) Calculate the **prorated TR** and any **UR** (if applicable)

14) \_\_\_\_\_ Enter the UA (Item 27 of the HUD-50059 A)

15) \_\_\_\_\_ Subtract Line 14 from Line 11 and enter the amount in Item 32 of the HUD-50059 A. This amount is the Prorated TR for the family.

If Line 15 is zero and in Item 32 of the HUD-50059 A, complete Line 16.

16) \_\_\_\_\_ If Line 14 is greater than Line 11, enter the difference in Item 33 (Utility Reimbursement) of the HUD-50059 A. Otherwise, leave blank.

## **Section 236 without Benefit of Additional Assistance (Exhibit 3-13)**

- A) Calculate difference between MR and TR without pro-rations**
  - 1) \_\_\_\_\_ Enter MR (Item 25 of the HUD-50059 A)
  - 2) \_\_\_\_\_ From the income amounts (Total Annual Income and Adjusted Annual Income) calculated on the family's most recent full certification (MI, AR, IR, IC), use the appropriate rent formula, based on subsidy type, in Exhibit 5-8 to determine the TR, without pro-ration.
  - 3) \_\_\_\_\_ Subtract Line 2 from Line 1 and enter the amount.
- B) Calculate prorated difference between MR and TR**
  - 4) \_\_\_\_\_ Enter number of people in the family who are Ineligible Persons (i.e., not a citizen or not an eligible non-citizen)
  - 5) \_\_\_\_\_ Enter the fraction that represents the number of Ineligible Persons and the number of family members in the tenant household. (e.g., 5 family members of which 2 are Ineligible Persons) Fraction is 2/5
  - 6) \_\_\_\_\_ Multiply Line 3 by the fraction in Line 5. This amount is the prorated difference between MR and TR
- C) Calculate the **prorated TR****
  - 7) \_\_\_\_\_ Add Line 2 and Line 6 and enter the amount in Item 32 of the HUD-50059 A. This is the Prorated TR for the family.