

## PART II: BASIC ELIGIBILITY CRITERIA

### 3-II.A. INCOME ELIGIBILITY AND TARGETING

#### Income Limits

HUD establishes income limits for all areas of the country and publishes them annually in the Federal Register. They are based upon estimates of median family income with adjustments for family size. The income limits are used to determine eligibility for the program and for income targeting purposes as discussed in this section.

#### Definitions of Income Limits [24 CFR 5.603(b)]

*Very low-income family.* A family whose annual income does not exceed 50 percent of the median income for the area, adjusted for family size.

*Extremely low-income family.* A family whose annual income does not exceed the federal poverty level or 30 percent of the median income for the area, whichever number is higher.

Area median income is determined by HUD, with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 30, 50, or 80 percent of the median income for an area if HUD finds that such variations are necessary because of unusually high or low family incomes.

#### Using Income Limits for Eligibility [24 CFR 982.201]

Income limits are used for eligibility only at admission. Income eligibility is determined by comparing the annual income of an applicant to the applicable income limit for their family size. In order to be income eligible, an applicant family must be one of the following:

- A *very low-income* family
- *Extremely low-income* family

<b>2018 Income Limits</b>		
<b>Household Size</b>	<b>Extremely Low Income</b>	<b>Very Low Income</b>
1	\$12,200	\$20,300
2	\$16,460	\$23,200
3	\$20,780	\$26,100
4	\$25,100	\$29,000
5	\$29,420	\$31,350
6	\$33,650	\$33,650
7	\$36,000	\$36,000
8	\$38,300	\$38,300