

Instructions: How To Search and Verify Income Levels for Section 3 Verification

Per Section 3 you are required to report if you have any qualifying employees to be claimed as either a Section 3 Worker, Targeted Section 3 Worker, or neither.

One option for qualification of Section 3 Worker Status to be a Section 3 worker would be to determine an individual income limit for the county that the employee lives in.

To figure out the income levels for a county you will be using the following website to locate this information:

https://link.edgepilot.com/s/493ec413/nEci3IHsek_ofc3DPNXQjA?u=https://www.huduser.gov/portal/datasets/il.html

This is what the page will look like:

The screenshot shows the HUD Office of Policy Development and Research (PD&R) website. The header includes the HUD logo, the text "OFFICE OF POLICY DEVELOPMENT AND RESEARCH (PD&R)", and a navigation menu with "ABOUT PD&R", "RESEARCH & PUBLICATIONS", and "DATASETS". A search bar is located to the right of the navigation menu. Below the header, a large banner reads "INCOME LIMITS". Underneath the banner, the text "Dataset/Income Limits" is displayed on the left, and a button labeled "Other Datasets" is on the right. A gray box contains a message from HUD's Office of Policy Development and Research (PD&R) announcing that Fair Market Rents and Income Limits data are now available via an application programming interface (API). The message states: "HUD's Office of Policy Development and Research (PD&R) is pleased to announce that Fair Market Rents and Income Limits data are now available via an application programming interface (API). With this API, developers can easily access and customize Fair Market Rents and Income Limits data for use in existing applications or to create new applications. To create an account and get an access token, please visit the API page here: <https://www.huduser.gov/portal/dataset/fmr-api.html>." Below this message, a paragraph explains that the Department of Housing and Urban Development (HUD) sets income limits that determine eligibility for assisted housing programs including the Public Housing, Section 8 project-based, Section 8 Housing Choice Voucher, Section 202 housing for the elderly, and Section 811 housing for persons with disabilities programs. HUD develops income limits based on Median Family Income estimates and Fair Market Rent area definitions for each metropolitan area, parts of some metropolitan areas, and each non-metropolitan county. A link for "FY 2024 Ceiling Methodology Change FAQs" is provided. At the bottom, a row of buttons shows the years 2024, 2023, 2022, 2021, 2020, and a "Year" dropdown menu. Below the year buttons, a row of links includes "Query Tool", "Documents", "Data", "FAQs", and "Methodology Change FAQs". The footer text reads "Effective April 01, 2024."

You will use the years listed above on the HUD page to locate/search for the Income Levels of the years you need to verify.

Please select a year, for this example I will be using 2024.

Next you will scroll down to view this portion on the website, please select the [Click Here](#)
for FY 2024 IL Documentation


Access Individual Income Limits Areas

This system provides complete documentation of the development of the FY 2024 Income Limits (ILs) for any area of the country selected by the user. Official ILs, available in pdf and excel formats at this [link](#), may differ slightly from those calculated in the documentation system, and should be used for ALL official purposes.

[Click Here for FY 2024 IL Documentation](#)

NOTE: Due to the Housing and Economic Recovery Act of 2008 (Public Law 110-289) the data presented in this system may not be applicable to projects financed with Section 42 Low Income Housing Tax Credits (LIHTC) or section 142 tax exempt private equity bonds. These projects should use the Multifamily Tax Subsidy Project Income Limits available at [Multifamily Tax Subsidy Project Income Limits](#)

After selecting that option, you will see this page:



FY 2024 INCOME LIMITS DOCUMENTATION SYSTEM

First select a state:

Alabama - AL
Alaska - AK
American Samoa - AS
Arizona - AZ
Arkansas - AR
California - CA
Colorado - CO
Connecticut - CT
Delaware - DE
District of Columbia - DC

**Or select a FY 2024 HUD Metropolitan Fair Market
Rent/Income Limits Area (HMFA):**

Abilene, TX MSA

[View HMFA Calculations](#)

Prepared by the [Program Parameters and Research Division](#), HUD.

For more on area definitions, [click here](#). Technical Problems or questions? [Contact Us](#).

Please select Michigan, and then for this example I will also be using Kent County for my selection.

This will appear and you will select VIEW COUNTY CALCULATIONS. **You will select the County of the worker's home address.**

Please see below the FY 2024 Income Limits Summary for Kent County for our Example.



FY 2024 INCOME LIMITS DOCUMENTATION SYSTEM

[HUD.gov](#) [HUD User Home](#) [Data Sets](#) [Fair Market Rents](#) [Section 8 Income Limits](#) [MTSP Income Limits](#) [HUD LIHTC Database](#)

FY 2024 Income Limits Summary

FY 2024 Income Limit Area	Median Family Income Click for More Detail	FY 2024 Income Limit Category Click for More Detail	Persons in Family							
			1	2	3	4	5	6	7	8
Grand Rapids-Wyoming, MI HUD Metro FMR Area	\$100,700	Very Low (50%) Income Limits (\$) Click for More Detail	35,250	40,300	45,350	50,350	54,400	58,450	62,450	66,500
		Extremely Low Income Limits (\$)* Click for More Detail	21,150	24,200	27,200	31,200	36,580	41,960	47,340	52,720
		Low (80%) Income Limits (\$) Click for More Detail	56,400	64,450	72,500	80,550	87,000	93,450	99,900	106,350

This final image (shown above) will be what you are basing the Income Limits on for your Employees.

From the image above for the year 2024, in Kent County the individual will need to make less than \$56,400 to qualify as a Low-Income Worker.

If their annualized income is less than \$56,400 they are Section 3 Workers and will be for the next 5 years from the time of verification. Their hours must be included in the Total Hours and Section 3 Hours on projects that require Section 3 Reporting.

Please be aware of the following:

- This is based off the individual's income limits and the Low (80%) Income Limits section and the county that individual resides in at the time of verification.
- For the Persons in Family section, you will only follow the 1 column to confirm the income limits set.
- You can annualize your employee's income limits for the current year, anything before 2024 you will need to verify using an employees W2.
- Keep accurate records and keep them in a secure area as you should keep the W2/ verification information you used with the Certification Form.
- Once you have completed and verified your Employee, their status as a Section 3 Worker will be valid for 5 years.

- You can go back as far as November 30, 2020, to verify an employee if they have worked for you since then, qualified before, and are still employed. **They do not have to be a new hire.**
- Prior years are still certifiable even if the worker currently makes more than the current year data.
- To go back and certify someone in your company from a previous year/timeframe they must still be employed with your company.
- Summer interns or temporary workers do qualify however all hours must be recorded and verified during their employment. No revisions for people who are no longer with your company or after their temporary employment has ended.

If you would like us to walk you through your first worker check, please call me and we can do it together. Verifying and locating the income limits should take less than 5 minutes!