



HOTMA Office Hours

July 9, 2026

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Panelists

SME: Christine Dennis

Moderators: Mariel Trainum and Baylee Hutchinson

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Office Hours Format

- Welcome and Introductions
- Housekeeping
- Overview and FAQs
- **Open Discussion**
- Wrap-up

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Welcome and Introductions

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Housekeeping

- Mute when not speaking to reduce background noise
- Submit questions using the chat or raise hand features
- Feel free to turn your camera on (optional)
- State your name and organization
- Limit detailed project-specific questions

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Overview and FAQs

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HOTMA – What Changed?

Income Calculation for Section 8 Method changed per PIH 2024-07

Summary of those changes:

- Net Family Asset Limit changed from \$5,000 to \$50,000
 - If a family has net assets of less than \$50,000 there is no need to calculate an imputed interest rate to include in the family's income calculation
- Trust Distributions from an irrevocable trust or a revocable trust outside the control of the family are excluded from the definition of net family assets:
 - Distributions of the principal of the trust AND
 - Distributions of income from the trust when the distributions are used to pay for health and medical care expenses for a minor.

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HOTMA – What Changed?

- Trust Distributions from a revocable trust under the control of the family are included as income to the family at the time it is received by the trust.
- Payments received for the care of foster children, foster adults, or State or Tribal kinship or guardianship care payments are excluded from income
- Any amounts recovered in civil action or settlement based on a claim of malpractice, negligence, or other breach of duty owed to a family member arising out of law that resulted in a member of the family becoming disabled is excluded.

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HOTMA – What Changed?

- Also excluded from income:
 - Any assistance that section 479B of the Higher Education Act of 1965, as amended (20 U.S.C. 1087uu), requires be excluded from a family's income; and
 - (Student financial assistance for tuition, books, and supplies (including supplies and equipment to support students with learning disabilities or other disabilities), room and board, and other fees required and charged to a student by an institution of higher education (as defined under Section 102 of the Higher Education Act of 1965 (20 U.S.C. 1002)) and, for a student who is not the head of household or spouse, the reasonable and actual costs of housing while attending the institution of higher education and not residing in an assisted unit.

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HOTMA – What Changed?

Also excluded from income:

- Loan proceeds (the net amount disbursed by a lender to or on behalf of a borrower, under the terms of a loan agreement) received by the family or a third party (e.g. Proceeds received by the family from a private loan to enable attendance at an educational institution or to finance the purchase of a car).
- Nonrecurring income, which is income that will not be repeated in the coming year based on information provided by the family. Income received as an independent contractor, day laborer, or seasonal worker is **not** excluded from income under this paragraph, even if the source, date, or amount of the income varies.

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Comparison of Income Definitions

SECTION 8	CENSUS	IRS
Earned income age 18+ Unearned income less than age 18	Income age 15+	Income all ages depending on amount and type
May require special asset computation	Assets calculation included	Assets calculation included
Child support counted as income	Child support counted as income	Child support excluded as income
Inheritance counts as asset	Inheritance doesn't count	Inheritance doesn't count

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HOTMA – What Stayed the Same?

IRS Method did not change.

US Census Method did not change.

Deductions included in NAHASDA Statute did not change.

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Statutory Deductions Under the NAHASDA Statute

- \$480 for children under 18, persons of disabilities over 18, and full-time students over 18
- \$400 for elderly or disabled family
- Medical expenses over 3% of income for qualified elder or disabled families (Must received the Elder or Disabled Family deduction to qualify)
- Attendant care expenses over 3% for each family member with disabilities to the extent necessary to allow a member of the family to be employed.

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Statutory Deductions Under the NAHASDA Statute

- Child Care Expenses to the extent necessary for a member of the family to be employed or attend school.
- Earned Income of Minors is excluded.
- Travel expenses for excessive travel, not to exceed \$25 per family per week.
- Additional deductions as may be determined by the Tribe/TDHE and included in the IHP.

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Open Discussion

Conversation starters:

- Have you added additional deductions?
- How do you document deductions?
- Do you have households that would require the asset calculation?
- How do you address that?

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