Program Compliance Crosswalk (LIHTC vs. PBCA)

This form should be referenced for projects receiving assistance through both the LIHTC (Low Income Housing Tax Credit) and PBCA (Performance-Based Contract Administration) programs to identify and apply the applicable program requirements.

Multi-Program Interaction Summary

One program has a requirement that the other does not.	Apply the requirement.
Both programs have similar requirements, and:	
a) The rules have built-in reconciliation provisions	a) Apply the reconciled rule.
b) One requirement is more restrictive	b) Apply the more restrictive rule.
c) The requirements are different and do not reconcile.	c) Apply both rules.
d) The requirements conflict.	d) Contact Owners/Investors/State Agency for guidance.

Rule	LIHTC	PBCA
Certification Form	LIHTC utilizes a TIC (Tenant Income Certification).	PBCA utilizes Form HUD-50059.
Income Limits	HUD-published Multifamily Tax Subsidy Program (MTSP) income limits are used. (**ADOH Compliance Manual Section 3.3**)	Income limits based on area median income (AMI) are used and vary based on which HUD program and the county location or MSA. (**4350.3 Section 3-6**)
Rent Limits	Based on MTSP income limits and bedroom size. Gross rent generally cannot exceed the applicable limit unless the household receives qualifying rental assistance. (**ADOH Compliance Manual Section 3.4/3.8**)	Tenant rent is income-based, while market and contract rents are established by the Contract Administrator per property through regulatory and HAP agreements. (**4350.3 Section 5-25**)
Utility Allowances	HUD-funded projects use the applicable HUD utility allowance. For voucher households in non-HUD-regulated properties, the PHA utility allowance applies. Other properties may use one of five alternative utility allowance methods. (**ADOH Compliance Manual Section 3.12**)	UA for a property is calculated based on actual consumption at a property every 3rd year and adjusted by a HUD published rate the other years. (**4350.3 Section 7-18**)
Recertification/Interim Re-Examination	Projects that are NOT 100% LIHTC must recertify each household's income. assets and student status annually. 100% LIHTC projects may utilize the Self-Certification Questionnaire. (**ADOH Compliance Manual Section 4.17**) LIHTC does not utilize interim re-examinations.	Required annually on the certification anniversary date. Interim re-examinations are triggered when income changes by $200 or more of adjusted income. Interim re-exams are not required in the final three months of the certification year if the owner has a written policy, but household and income changes must still be verified. (**4350.3 Chapter 7**)
Certification Effective Dates	Move-in effective date is the actual date of occupancy. For in-place residents at acquisition/rehab properties, it is the acquisition date if certified within 120 days, or the last signature date if certified after 120 days. Recertifications are effective on the anniversary of the original tenant income certification date for projects requiring annual recertification. (**ADOH Compliance Manual Section 3.18.4**)	Move-in date is the actual date of occupancy. Interim certifications are effective the first of the month following required notice or verification, and annual recertifications are effective on the first day of the month of the move-in anniversary unless HUD approves an alternate date. (**4350.3 Chapter 7**)

RULE	LIHTC	PBCA
Transferring Households	Projects not 100% LIHTC, households above 140% income at recertification may only transfer within the same building. At 100% LIHTC properties, and for households below the 140% limit, transfers may occur between buildings within the same project without re-qualifying. Refer to IRS Form 8609 Line 8b to determine multi-building election. Unit transfers may change unit status, particularly for initial tax credit lease-up. (**ADOH Compliance Manual Section 3.13.4 – 3.13.7**)	Allowed between buildings within a project. Households that overcrowded or under-occupy may be required to move to an appropriately sized unit if available, or remain and pay contract rent. The recertification effective date after transfer remains the anniversary of the original move-in date. (**4350.3 Section 7-14 – 7-16**)
Student Eligibility	Student status must be verified annually. Households made up of full-time students of any age do not qualify. There are five exceptions to this general rule. (**ADOH Compliance Manual Section 3.13.2**)	Any individual who attends an institute of higher learning (full OR part-time) must meet one of the requirements. (**4350.3 Section 3-13**)
Income Calculations	Follow HUD Handbook 4350.3 Chapter 5 as revised for HOTMA requirements. (**ADOH Compliance Manual Chapter 4**)	Follow HUD Handbook 4350.3 Chapter 5 as revised for HOTMA requirements.
Deductions	LIHTC does not utilize deductions when calculating income.	HUD permits five deductions and allowances when determining adjusted income and rent. (**4350.3 Section 5-10**)
Asset Verifications	May be self-certified if under the current HOTMA threshold limit. (**ADOH Compliance Manual Section 4.8**)	May be self-certified if under the current HOTMA threshold limit. **Must be verified using third-party verification every third year of occupancy**. (**4350.3 Section 5-7**)
Means Tested Income Verifications	LIHTC/ADOH encourages the use of means-tested income verifications. HOME, NSP, National HTF, and State HTF require the use of means-tested income verifications. (**ADOH Compliance Manual Section 4.9.2/4.9.3**)	PHAs/MFH Owners have the option of using a "safe harbor" income verification from another federal means-tested program to verify gross annual income. Examples may include SNAP, TANF, Medicaid, LIHTC, SSI. **(HUD-Notice 2023-10)**
Verification Methods	LIHTC generally follows HOTMA standards, allowing (in order of preference) data from The Work Number or other web-based systems, third-party documentation, and third-party verification. Verifications are generally valid for 120 days, and income determinations from PHAs and other means-tested programs may be accepted. (**ADOH Compliance Manual Section 4.9**)	Must be obtained using the highest available form of verification, with UIV/EIV preferred, followed by third-party documentation, third-party verification, and self-certification (last. Verifications are generally valid for 120 days. (**4350.3 Section 5-5**)
Household File Retention	First-year household files must be retained for at least 21 years after the first-year credits are claimed. All subsequent household files must be retained for a minimum of 6 years after the tax return filing deadline. (**ADOH Compliance Manual Section 2.7**)	Denied applications must be retained for three years after denial. EIV reports, tenant file documentation, and related verifications must be kept for the duration of tenancy plus three years, while EIV Master Binder records must be retained for three years. EIV reports must be stored out of plain sight. (**4350.3 Section 9-14**)
Agency Monitoring	ADOH conducts physical/file inspections on a 1–3-year cycle using NSPIRE or applicable local standards. ADOH may impose requirements more restrictive than NSPIRE. (**ADOH Compliance Manual Section 2.5**)	Management & Occupancy Reviews are conducted on a risk-based 1–3-year cycle in accordance with HUD Form 9834. (**4350.1 Chapter 6**)