Should the income pertain to the borrower's spouse who is employed by a different organization and the income is to be incorporated into the loan application, the partner's earnings require direct confirmation from their place of employment as could be more suitable to consider the spouse's present income when evaluating the mortgage application. Any earnings that are derived from present income or excluded from qualification criteria should be subtracted from the debtor's liquidity stream.

Investment Income

Income reported on Schedule B of IRS Form 1040, including taxable interest and dividends, can potentially be considered as consistent earnings solely when they have been documented for a minimum of 24 months. Nevertheless, the debtor is ineligible for consideration if the The revenue is utilizing an asset that generates interest or dividends as the origin of funds for the initial payment or settlement costs. expenses.

Non-recurring taxable interest or dividend income should be excluded from the borrower's cash flow calculation.

Interest from tax-exempt sources can be considered stable income provided the borrower has consistently received it for a minimum of two years. The trend is anticipated to persist. Should this prove true, the borrower's cash flow can be augmented by incorporating this revenue stream.

Tax Refunds from State and Municipal Governments

State and local tax refunds, credits, or offsets that are subject to taxation should be excluded from calculations involving qualifying revenue as it had already been reported on the prior year's tax filings. Consequently, the The cash flow of the borrower requires appropriate adjustment.

Spousal Support Income

Spousal support payments can be considered as eligible income provided they fulfill the criteria outlined in Section B3-3.1-09, Additional Sources of Income. Income Streams. Alimony payments classified as non-recurring must be subtracted from the total reported income. from the applicant's gross earnings as shown on their most recent tax return.

Retirement Account Withdrawals, Pension Payments, Annuity Income, and Social Security Payouts

Revenue derived from Individual Retirement Account (IRA) payouts, pension plans, annuity payments, and Social Security entitlements can be considered as eligible earnings. Refer to B3-3.1-09, Alternative Income Sources, for detailed criteria.

The tax-free component of this regular income should be incorporated into the borrower's cash flow calculations. The non-taxable A percentage of earnings derived from these origins can be adjusted upward to account for tax benefits, as outlined in section B3-3.1-01. General Income Details. Should the revenue from these origins be classified as non-recurring, the earnings should be subtracted from the borrower's available funds.

Jobless Benefits

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Jobless benefits can potentially be counted as eligible income, provided they fulfill the necessary criteria.
outlined in B3-3.1-09, Additional Income Sources. Any declared unemployment benefits that are verified

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